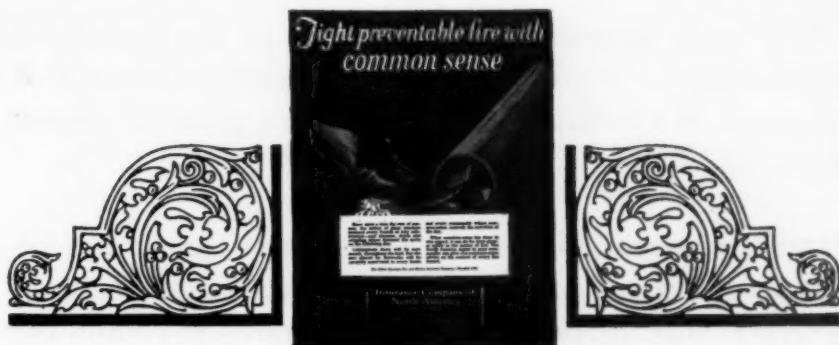


The National Underwriter

A WEEKLY NEWSPAPER OF INSURANCE

THURSDAY, JUNE 16, 1927



RECOGNITION

THE Insurance Company of North America has won recognition among property owners and business interests on the strength of its unbroken record of dependability and fair dealing—a record of 135 years' standing. Insurance agents and brokers find their recommendations most acceptable to clients when they specify the protection offered by this oldest American fire and marine insurance company.

**Insurance Company of
North America**

PHILADELPHIA

and the

Indemnity Ins. Co. of North America

write practically every form of insurance except life





"Acceptable" Appraisals

"Will your appraisal be acceptable to my insurance companies?" We have heard the question thousands of times. We believe there is but one legitimate answer to it.

It will be acceptable for the sole reason that it can be definitely proved correct. No insurance company agrees to accept any appraisal. They agree, only, to reimburse the assured for the "actual cash value" of the property destroyed. If an appraisal furnishes provable evidence as to what this "actual cash value" is, it compels acceptance.

The best insurance adjusters will question appraisals. The best appraisals will answer such questions with convincing finality. "Acceptability" is of far less importance to the owner than "*provability*."

We get far more satisfaction from those of our clients' letters which tell us that "your appraisal stood up under every question put by the adjusters" than we do from the more numerous ones stating that your "appraisal was accepted without question."

The American Appraisal Company

MILWAUKEE

PUBLIC UTILITIES • INDUSTRIALS • REAL ESTATE PROPERTIES • NATURAL RESOURCES

A NATIONAL ORGANIZATION

NEW YORK
MINNEAPOLIS

SAN FRANCISCO
RICHMOND

Marsh & McLennan

INSURANCE

FIRE

LIABILITY

MARINE

164 W. Jackson Boulevard, Chicago

LONDON
WINNIPEG
PITTSBURGH
PHOENIX

SEATTLE
DETROIT
CLEVELAND
COLUMBUS

PORTLAND
BUFFALO
DULUTH
MONTREAL
INDIANAPOLIS



EIGHTEENTH-CENTURY ENGRAVER AT WORK
FROM MARIETTE, PIERRES GRAVÉES

REPRINTED WITH PERMISSION OF THE METROPOLITAN MUSEUM OF ART, NEW YORK

Insurance on Silverware

Covering All Risks in All Situations, except Denting,
Wear and War Risks

RATE 1%. MINIMUM PREMIUM \$5.00.

A. F. SHAW & COMPANY

75 Maiden Lane
New York City

Insurance Exchange
Chicago, Ill.

General Agents - "All Risks" Department

Saint Paul Fire & Marine Insurance Co.

THE East and West INSURANCE COMPANY OF NEW HAVEN CONNECTICUT

CASH CAPITAL, \$500,000.00

THE EAST and WEST WILL FILL THAT PLACE

In a good many insurance offices there is a definitely felt need for a strongly backed, progressive, fire company to take care of the increased volume of the growing agency.

The East and West is such a company, sponsored by the old reliable Security Insurance Company of New Haven which has an enviable record dating back to 1841. The East and West is a strong, growing company writing Fire, Lightning, Tornado and Automobile insurance, the kind of Company you will be glad to have in your agency.

Owned by and under the Management of
Security Insurance Company of New Haven

Western Department
ROCKFORD, ILLINOIS
Walter D. Williams, Manager



75th Anniversary

A Record of Obligations Fairly Met
Some Great Conflagrations which The Hanover had a Share in Repairing the Loss

Where.	When.	Losses Paid by the Hanover.
Portland, Maine	1866	\$ 27,074.12
Chicago, Illinois	1871	260,821.60
Boston, Massachusetts	1872	252,772.19
Fargo, North Dakota	1893	50,200.07
Jacksonville, Florida	1901	87,977.90
Pateron, New Jersey	1902	59,168.90
Baltimore, Maryland	1904	363,385.41
San Francisco, California	1906	1,376,542.54
Chelsea, Massachusetts	1908	232,436.26

Total Net Losses Paid Since Organization \$63,994,654 to Jan. 1, 1927

THE HANOVER FIRE INSURANCE COMPANY of New York

Charles W. Higley, President
NEW YORK CHICAGO SAN FRANCISCO

A Company for Good Agents

Twenty-two years of continuous progress have molded a reputation for the Home Fire Insurance Company of Arkansas that commands the confidence of every local agent. From an idea in 1905 this institution has grown to one of \$1,750,711.46 assets and \$500,000 paid up capital.

Wherever the Home Fire is located you will find a satisfied agent.

We have excellent agency opportunities in Arkansas, Louisiana and Mississippi.

Home Fire Insurance Co.
of Little Rock, Arkansas

Over a Century of Faithful Service

NEWARK

Fire Insurance Company

Newark, New Jersey

A Permanent and Progressive Company

T. L. FARQUHAR
President

C. E. TITSWORTH
Vice-Pres. and Treas.

WESTERN DEPARTMENT
Chicago

ELWIN W. LAW
General Manager

W. L. Lerch
Deputy General Manager

H. L. Dalton
Ass't General Manager

Horace W. Boyd
Manager

A company which is truly appreciative of the efforts of its agents and extends help to them in every way.

Established 1811

FINANCIAL STATEMENT

MARYLAND INSURANCE COMPANY

95 MAIDEN LANE
NEW YORK

ASSETS

Bonds and Stocks (Actual market value December 31, 1926)	\$ 915,566.00
Cash in Bank and in Office	1,092,005.76
Premiums in course of collection	179,007.93
Other Assets	7,105.17
	\$2,193,684.86

LIABILITIES

Unearned Premium	\$253,552.23
Losses in process of adjustment	55,739.00
Reserve for taxes and other bills	20,700.00
	\$329,991.23

Capital	\$ 750,000.00
Net Surplus	1,113,693.63
	1,863,693.63

	1925	1927
Net Premiums	\$ 292,811.52	\$ 520,663.99
Assets	1,048,263.38	2,193,684.86
Liabilities	273,265.18	329,991.23
Capital	500,000.00	750,000.00
Surplus	274,998.20	1,113,693.63

This Company Is Owned and Operated by the

NIAGARA FIRE INSURANCE COMPANY
OF NEW YORK

NIPPED

Before It Has a Chance!

"Before the attendant could get to the washer the fire was extinguished" is the gist of many testimonials which Dry Cleaners are sending us.

The average time required for Schlesco-Shure to extinguish a fire is less than 15 seconds!

Inconceivable almost that fire with highly inflammable cleaning fluids as fuel can be extinguished in such a short time.

Schlesco-Shure units operate automatically—smothering the fire with live steam. It is the only automatic steam extinguisher approved by the Underwriters' Laboratories.

Your Dry Cleaners will appreciate your service in pointing out to them the value of Schlesco-Shure. You will be well repaid in the good will you create.

Write for full details today. Use the coupon.

Schlesco-Shure
MANUFACTURING COMPANY
DES MOINES IOWA

THE GLOVER SALES CO.
KANSAS CITY, MO.

Exclusive Distributors of Schlesco-Shure Products to Dry Cleaners

SCHLESCO-SHURE MAKES AN UNDESIRABLE LINE DESIRABLE

Schlesco-Shure Mfg. Co.,
Des Moines, Ia.

I am interested in Schlesco-Shure. Send me complete information on how the units work and how dry cleaning establishments may secure them.

Name

Address

City..... State.....

Position

N.U.6-16-27



SCHLESCO-SHURE UNITS are listed as standard by Underwriters Laboratories.

Approved by N. Y. Industrial Code Commission.

Approved and recommended by prominent insurance and fire officials. Designed to comply with all State and City Fire Regulations.

Schlesco-Shure products are distributed to Dry Cleaners exclusively through the Glover Sales Co. of Kansas City, whose sales and service engineers are at the command of present and prospective Schlesco-Shure users.



When you need one more strong word or

phrase: When a few words well spoken will prove to be the "clincher": When the moment of decision is almost at hand: Then say that "the ATLAS Casualty Company specializes in automobile insurance exclusively." Repeat it for emphasis, and add how this fact enables you to provide every help in case of an accident and prompt adjustment of every claim.

Tell how you need but notify the ATLAS Casualty Company of an accident to start action on the part of this strong stock company in behalf of the protection of their policyholder.

Explain, too, the ATLAS reputation for courtesy, efficiency and satisfaction in every transaction, and mention the ever-growing family of progressive ATLAS agents and well pleased policyholders.

Then write your client an ATLAS policy—fire, theft, liability, property damage, collision, tornado—for any or all of these coverages can be written in *one* ATLAS policy.

Atlas
Casualty Company

EXECUTIVE OFFICES
Fort Wayne, Indiana

Operating in Illinois, Indiana, Ohio,
Michigan, Missouri and Pennsylvania



"AMERICA FORE"

June 13th, 1927.

TO OUR SPECIAL AGENTS:

The "Spirit of '76" was a composite of courage, will power and self-sacrifice, and gave birth to "American Ideals".

That spirit is a heritage to the American people and will live on forever. Captain Charles A. Lindbergh, who alone in his monoplane, "The Spirit of St. Louis", with just a bite to eat, took off from New York City early on the morning of Friday, May 20th, alighting in Paris on the night of May 21st, spanning the great Atlantic in the record-breaking time of thirty-three and a half hours in the most daring and thrilling flight in the history of aviation, has again demonstrated this. His courage, will power and self-sacrifice have captured the hearts of the world and brought pride to every American.

It is the "Spirit of '76" that has made America, and it is that spirit in our organization that has made "America Fore".

The spirit of an organization is its life blood. As the spirit rises the organization prospers, and as the spirit wanes the organization deteriorates. It is your courage, will power and self-sacrifice that will win the hearts of our agents, the appreciation of our policyholders, and the pride of your officials.

The "Spirit of '76" made this land of opportunity. That same spirit of courage, will power and self-sacrifice, of service to our agents and policyholders, will make "America Fore" flourish and triumph.

America is still the land of opportunity.

Sincerely yours,

Chairman of the Board

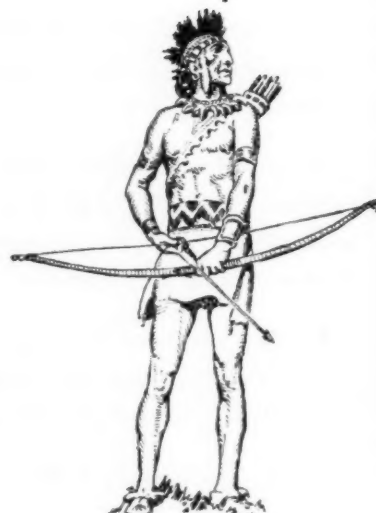
AMERICAN EAGLE FIDELITY-PHENIX
The CONTINENTAL FIRST AMERICAN
FIRE INSURANCE COMPANIES
Eighty Maiden Lane, New York, N.Y.

ERNEST STURM, Chairman of the Board

PAUL L. HAID, President



"AMERICA FORE"



"AMERICA FORE"

The National Underwriter

Thirty-first Year, No. 24

CHICAGO, CINCINNATI AND NEW YORK, THURSDAY, JUNE 16, 1927

\$4.00 Per Year, 20 Cents a Copy

RATE REVISING MUST BE DONE CAREFULLY

Company Officials Want New Schedules, But Admit Need of Great Caution

PUBLIC IS MISINFORMED

Alteration to Meet Competition Is Necessity with Which Stock Companies Are Faced

NEW YORK, June 15.—Although company officials are keen for a revision of fire insurance rates, appreciating that in some sections of the country and on certain classes of hazards existing tariffs are and long have been too low, they appreciate that the work of revision must be done with care and that such increases as are adopted be fully justified by the loss experience over a sufficiently long period to afford an average.

The fact that the charge for fire indemnity has been steadily reduced since the war period, during which time the price for practically every other service and commodity has advanced anywhere from 10 to 100 percent, has been advertised so persistently the public has become imbued with the idea that rates now in force are adequate and will strenuously resist effort at their increase. They will point to the added number of fire-safe buildings being erected in many of the important centres of the country and to the advance in fire extinguishing appliances, public and private, as warrants for the statement that the menace of sweeping conflagrations is being materially lessened, losing sight of the fact that these admitted advantages are largely if not wholly offset by building congestion and the introduction of new fire hazards because of mass material production. These facts will have to be driven home by those applying and collecting whatever advanced rates are decided upon.

Aware of Competition

The stock men also have taken note of the growing competition of the mutuals and the reciprocals. Many of the big mill mutuals of New England that heretofore have confined their solicitations to a particular type or types of risk, have gone farther afield because of the loss of income previously had from the textiles of their home territory and the removal to the west of the one-time prominent leather manufacturing industry of Massachusetts. They are now actively seeking lines on large department stores and even risks that are unsprinkled and which at one time would not be considered. Nothing is to be gained by blinking at the seriousness of the mutual competition and the fact that it is growingly aggressive in many sections of the land.

Unwillingness of agents to reduce their commissions on lines menaced by the mutual is offered as the reason why not a few of these risks that otherwise

CONTINUED REDUCTION IN FIRE WASTE IS SEEN IN MONTHLY RECORDS

A CONTINUED reduction in the fire waste of this continent is one of the pleasing indications of satisfactory business conditions. That, however, is not the sole dominating factor in the reduced fire loss record, as the improvement is in part due to a more aggressive attitude toward incendiaries and crooked loss claimants. The May fire loss record shows a substantial reduction, about 33 1-3 percent, from the figures of the same month last year, and the first five months' figures in 1927 reveal a saving of nearly 25 percent in the amount of property destroyed by fire as compared with the record of the same months last year.

The May fire losses in the United States and Canada, as compiled from the daily records of the "Journal of Commerce," reached a total of \$20,713,000, as against \$32,764,200 charged against May, 1926. The steadiness with which this improved condition has been maintained during the first five months of the current year is revealed in the

following comparative table of the monthly fire losses:

	1925	1926	1927
Jan..	\$41,210,400	\$41,118,750	\$37,910,600
Feb..	32,472,000	30,963,750	26,285,000
Mar..	33,346,500	42,854,600	26,807,600
April.	37,696,800	52,408,400	39,720,600
May..	29,170,800	32,764,200	20,713,000

Total \$173,896,500 \$200,109,700 \$151,436,800

Organizations Encouraged

The "Journal of Commerce" says: "The fire underwriting situation has improved somewhat as a result of the reduced burning ratio, and underwriting organizations have been heartened in their campaign to eliminate as far as possible criminal losses and losses due to slovenly housekeeping. As regards the latter condition, the recently established strict underwriting policy of many of the leading fire insurance company groups has made it very difficult to secure full fire insurance cover on risks that were not well kept up, with the result that the property owners having their plants only partly insured took more interest in safeguarding their property from loss.

might be saved to the stock offices have gone to their competitors. The stock companies endeavor at all times to take care of their local representatives, but they do feel that when it is a question of "half a loaf or no bread" the agents should be willing to meet their offices at least half way, and not, as many now do, insist on full commissions, preferring unless this be accorded them to let the business go.

Proper rates and their securing is the foundation of sound fire underwriting, and these the company officials are determined must be had. The best way of their attainment, however, continues to be one of the major problems of the business, to the solution of which the best talent in the ranks is concentrating its thought.

AIR MAIL PLANES COVERED

Independence Companies Cover 25 New Ships Built for Chicago to San Francisco Run

On July 1, 25 new, especially designed airplanes will enter the air mail service between San Francisco and Chicago by means of a contract between the government and the Boeing Air Transport company of Seattle. It is understood that these planes will be operated by experienced pilots, picked from the United States air mail service.

It is interesting to note that these planes will carry passengers on regular schedule, leaving San Francisco daily at 7 a. m. and arriving at Chicago at 5:45 the following morning, with stops at Sacramento, Reno, Elko, Salt Lake City, Rock Springs, Cheyenne, North Platte, Omaha, Des Moines and Iowa City. The west bound trip will leave Chicago at 7:50 p. m. and reach San Francisco at 4:30 p. m. the next day, including the same stops. Thus it will be seen that part of the flying will be done at night, and the route covered will be lighted by the United States Department of Commerce.

A significant insurance feature is that

these planes have been covered by aircraft insurance by the Independence Indemnity and Fire companies of Philadelphia, through their Seattle brokers, Bowden, Gazzam & Arnold, and the New York aviation underwriters, Barber & Baldwin. The fact that the Independence companies are willing to assume the risk in this comparatively new branch of underwriting, wherein experience is very limited, is encouraging to the men who are backing aircraft development with millions of dollars, and realize the necessity for protecting their investments.

While complete coverage in aviation insurance is at the present time being issued only by the Independence companies, the tendency in premium rates is already downward.

Old Dominion Capital Increase

The Old Dominion Fire of Roanoke, Va., has increased its capital from \$500,000 to \$1,000,000. It is a very successful company operating only in Virginia. It does, however, considerable reinsurance. H. L. Lawson is president of the company. The first vice-president is R. H. Angell, who is president of the Shenandoah Life of Roanoke and an outstanding business figure in his community. The Old Dominion Fire has achieved an excellent reputation.

Special Travels by Air

So far as known, the first special agent to use the Cincinnati-Louisville air line service in the course of his duties is W. C. Skinner, special agent of the Westchester in Kentucky. Mr. Skinner left Cincinnati at 6:10 p. m. and arrived in Louisville one hour and 30 minutes later. Air service has now been established between Cincinnati and Columbus as well as Cleveland, but so far as known, no one has made the trip from Cincinnati to Columbus. The fare from Cincinnati to Columbus is said to be about \$25, and the trip is made in 55 minutes.

FLIMSY CONSTRUCTION HAS INCREASED HAZARD

Dwelling Houses in Many Sections Drop Out of Profitable Class

LIABLE TO TOTAL LOSS

In Addition to Fire Danger, Poorly Erected Buildings Cannot Resist Windstorms Properly

A number of companies have been making an exhaustive survey of their dwelling house experience in different sections of the country. While the dwelling house class is still regarded as the backbone of fire insurance in many respects, yet undoubtedly the margin of profit has been cut down materially. In some sections dwelling house business can no longer be counted as preferred. Throughout a number of the southern states the companies are no longer seeking the dwelling class, especially in the smaller cities and towns.

Flimsy Structures Erected

Since the war there has been a great building boom particularly in the cities. Large subdivisions have been laid out and many cottages and bungalows especially have been erected. The high cost of labor and building materials have run building expense up to an abnormal figure. Builders therefore have endeavored to erect structures that could come in the range of the largest number of people possible. Therefore it has been necessary to hold building cost down to a minimum. The result is that many flimsy structures have been erected. After two or three years the poor construction began to manifest itself. Buildings of this kind naturally increase the fire hazard.

Another big factor in the increasing loss ratio on dwellings and apartment buildings has been the high cost of repairs. In days gone by a small damage could be fixed for \$25. Now it requires \$100. It can be safely said that wages and building materials have more than doubled in price, but the insurance companies are receiving no increase in premiums.

Cannot Withstand Windstorms

Along with the increasing fire loss ratio, another insidious factor has been the effect of windstorms on these flimsily constructed houses and bungalows. It has been found that they cannot withstand a severe storm. Under ordinary conditions a storm would cause a damage. Now the same storm will probably blow down these houses, or at least cause very considerable damage. Underwriters feel that if a storm in striking a city or town hits these more recently constructed buildings that have been built to economize, the results will be unfortunate. There has been no change in the situation with regard to (CONTINUED ON NEXT PAGE)

GOVERNING BODIES ARE FOR MORE COOPERATION

DRIVE HAS BEEN STARTED

Opposition Develops from Fear That Supervision of Field Work May Be Lost to Home Offices

NEW YORK, June 15.—Inspired by the success of the Southeastern Underwriters Association in enrolling in its membership companies writing something over 95 percent of the fire and tornado premiums of the territory, and the later successful launching of the Eastern Underwriters Association in this city, a drive for greater cooperation is being put forth by governing bodies in all parts of the country.

While sympathetic with the movement in the main, some managers are yet a bit fearful that organization may be carried too far and the detail of field operations taken out of the hands of the home office men. Evidence justifying this fear is afforded from time to time when rating bureaus, instead of confining their activities strictly to risk inspections and rate making, notify the companies as to what forms of coverage may be granted and how the policies are to be written. When suggestions of this character are received, study is made to see whether the law of the state on the subject has been observed and the operation is in accord with the rating schedule filed by the company or in its behalf with the proper authorities. Convinced of this, the further recommendation of the bureau is quietly ignored.

Danger of Dead Level

There is no question but that the standardization of practices militates against individual company initiative. To a degree perhaps it is well that it does so. The menace appears when uniformity is carried to a point where all offices are reduced to the dead level of labor union associations, hampering thereby the ambition of offices that desire to keep fully abreast of general business development and supply to their clients forms of coverage induced by constantly changing needs. That the condition feared by some will ever come about is hardly probable. The demand in the fire insurance business is still for men who can envision expansion opportunities and who have brains enough to supply the need.

FLIMSY CONSTRUCTION HAS INCREASED HAZARD

(CONT'D FROM PRECEDING PAGE)

the substantially constructed houses, other than that the cost of repairs has gone up materially. Such structures however are still desirable from an insurance standpoint for both fire and tornado.

Hazard in Chimneys

Companies have always made a strong bid for the dwelling class in all directions. In a number of the southern states the experience has shown an unprofitable record largely because the houses were not constructed in a substantial way. It has been found that in many cases, chimneys were erected in a very hazardous manner, so that the fire danger is always at hand.

District Chairmen Named

District chairmen of the contest committee of the National Fire Waste Council, which is affiliated with the Chamber of Commerce of the United States, have been appointed as follows: Iowa, William H. Harrison, who recently retired as president of the Iowa State Fire Prevention Association; Oregon, George W. Stokes, deputy insurance commissioner and state fire marshal of Oregon; California, Harry F. Badger, secretary and manager of the Pacific Board.

ASSESS STOCKHOLDERS OF OHIO VALLEY F. & M.

LIABLE FOR PAR OF SHARES

Resources Worth Only \$70,599 While Liabilities Are \$266,435 and Capital Outstanding \$189,950

J. W. Jeffers of Frankfort, Ky., receiver for the Ohio Valley Fire & Marine of Paducah, Ky., which failed in 1923, has notified stockholders of the defunct company of an assessment at par value of stock held, or \$10 per share, to be paid on or before July 15, 1927, the letter stating that if not paid then, suit would be entered against stockholders for recovery.

Mr. Jeffers, who succeeded Fred A. Vaughan as receiver Dec. 19, 1925, reports that total assets assembled are \$97,723, against which there is an expense of \$27,153 for administration of company affairs, leaving \$70,599 available for payment of claims of creditors.

Liable for Par Value

Against the assets of \$70,599 available, outstanding liabilities of \$266,435 are listed, the company needing an additional \$195,836 to pay off liabilities. Some of the assets included may not prove of face value, it is said, and there may be some other liabilities develop, probably to the extent of \$10,000.

Outstanding stock of the company is \$189,950 or 18,995 shares. Under Kentucky laws stockholders in insurance companies are liable for an amount equal to the par value of the stock. The result is a \$10 per share assessment, to raise \$189,950 to take care of its liabilities.

Naturally, there is some stock on which it will be impossible to collect the assessment, and in many cases there will be lawsuits, all of which will tend to reduce net returns from the assessment.

Hail Storms Caused Damage

The hail storms that struck parts of Kansas, June 1-2-3, caused more damage in that state than any previous storms for years. Companies are still getting in claim notices. The wheat had headed and was in excellent shape. The hail was violent and the loss has been very severe. The weather conditions so far this year have bred hail storms.

Burke Sails for Europe

Frank E. Burke, vice-president of the Home of New York, has sailed for England, accompanied by Mrs. Burke. The travelers expect to spend a month or more touring England, Scotland, France and other European countries.

SOME OHIO COMPANIES CONSIDER LEAVING STATE

TAX IS ALMOST PROHIBITORY

Heavy Burden Rushed Through Legislature May Drive Home Institutions to Other Jurisdictions

Just what reaction is to come from the insurance companies of Ohio on the passage of the Myers 3 percent premium tax bill cannot be definitely determined at this time. Some company officials have declared it to be their serious intention to consider moving out of the state, declaring that the new tax law almost prohibits their continuing business in the state. This is particularly true of one or two companies whose premium income in Ohio is small but which have large premium incomes in states where the retaliatory tax laws will call for payment of the tax in those states. Other company officials want to make arrangements to go ahead without delay preparing to test the constitutionality of the law. Judge H. L. Conn, in his argument before Governor Donahey, questioned the constitutionality of the law at that time.

No Obstacle to Removal

Legal authorities declare that there are no serious legal obstacles to removal of companies from the state. There are now cases where companies are incorporated in one state but have their offices in another, simply complying with the state laws requiring that directors' meetings be held in the state of incorporation. Whether the companies located close to the borders of other states will consider this step seriously is not yet known.

Among company officials in Ohio, the chief topic of discussion at this time is the tax law and its effect upon them. The aggregate sums involved each year for these companies mounts into the millions and as the business grows, the amounts will of course increase.

New Hungarian Insurance Law

A new law of insurance in Hungary recently passed binds both parties to the contract, except in life insurance, according to a report to the United States Department of Commerce from Assistant Trade Commissioner John A. Embry, Vienna.

The new law permits the insurance company to sue for unpaid premiums, instead of the contract terminating automatically upon nonpayment of premium as formerly. In life insurance the contract may be terminated at the end of the year on 30 days' notice by the insured party.

Existing insurance contracts are subject to the provisions of the new law.

EXECUTIVE COMMITTEE ESTABLISHES HARMONY

MEETINGS WELL ATTENDED

Southeastern Underwriters' Association Has Few "Situations" Demanding Deliberation at Convention

BRIARCLIFF, N. Y., June 15.—Meetings of the executive committee of the Southeastern Underwriters' Association, held both yesterday and on Monday, which were attended as well by a number of company representatives from the east, all of whom were privileged to participate in the discussion of the matters under review, paved the way for what should prove an unusually harmonious gathering of the association as a whole today.

While there are no serious "situations" anywhere in the territory under jurisdiction of the organization, the brokerage issue at Richmond and the small-town mutual competition in the Carolinas are causing some trouble and were discussed at length at the executive committee sessions.

George C. Long, vice-president Phoenix of Hartford, who has served as president of the association for the last two years, retires today. Though his successor has not yet been nominated, the name of W. Ross McCain, vice-president of the Aetna, is prominently mentioned in this connection.

Under decision reached at the meeting of the sprinklered risk department of the association, the long-established practice of promulgating a reduction in rate on a class when such concession was applied to an individual property of like character, was abolished. All risks hereafter are to be dealt with according to their particular merits.

Old Officers Reelected

BRIARCLIFF, N. Y., June 15.—All former officers of the Southern Tornado Insurance Association were reelected at the annual meeting here today, the roster being: A. R. Phillips, vice-president Great American, President; Dowdell Brown, general agent Commercial Union, vice-president; H. G. Foard, secretary Home, secretary executive committee; A. R. Thomasson, North British & Mercantile; O. F. Grover, Continental; W. Kelly, Yorkshire; W. Ross McCain, Aetna, and J. D. Lester, Globe & Rutgers.

In classifying losses according to territory in future the association will use two divisions, namely, seacoast and inland, eliminating the special Atlantic Coast as distinct from the Gulf Coast, as has been done during the past year.

Commissioners' Committee to Meet

A meeting of the executive committee of the National Convention of Insurance Commissioners has been called for July 21 at 10 a. m. at the Gibson hotel, Cincinnati, to arrange the program for the annual session of the Convention, according to notices being sent out by Commissioner Button of Virginia, secretary. It is requested that suggested topics for the program be sent in to the secretary without delay. Commissioners who are not members of the committee are invited to attend its sessions.

New Wyoming Commissioner

Lyle E. Jay of Casper, Wyo., has been named by Governor Emerson as insurance commissioner of that state to succeed John M. Fairfield, who died at Rochester, Minn., May 31, following an operation. Mr. Jay was deputy commissioner under Mr. Fairfield. He is well known in insurance circles throughout the Rocky Mountain region. At the time Commissioner Fairfield was appointed Mr. Jay was prominently mentioned for the appointment.

CONDENSED NEWS OF THE WEEK

The May fire loss in the United States and Canada amounted to \$20,713,000. The total for five months was \$151,436,800. **Page 5**

The Southern Tornado Insurance Association shows a loss of 107 percent on windstorm business in its territory for the last four years. **Page 7**

North Carolina Association of Insurance Agents holds annual meeting at Durham. **Page 8**

Governing bodies of fire companies, inspired by success of various associations, favor greater cooperation in the field. **Page 6**

Many insurance conventions are being held in June. **Page 7**

The annual meeting of Tennessee field men resulted in W. P. Steele, Fire Association, being elected president of the Field Club and J. C. Schmitt of the Home, president of the Tennessee Fire Prevention Association. **Page 7**

Plans are made for the annual meeting of the Ohio Association of Insurance Agents next week. **Page 20**

Recent changes in compensation rates in various states are reviewed **Page 37**

Surety Association seeks to control its membership more efficiently. **Page 37**

Stock carriers, which some months ago requested an increase in minimum rated risks, have agreed to compile grading records on industries. Experience will be tabulated for two additional years. **Page 37**

Attention is given to serious fraudulent liability claim situation in Philadelphia. **Page 37**

National Association of Retail Clothiers & Furnishers will establish insurance department to handle burglary coverage for members. **Page 42**

Automobile public liability experience shows 1.3 percent loss on last year's operations. **Page 46**

FIELD MEN ARE PUBLIC RELATIONS COMMITTEE

Tennessee Fire Underwriters and Fire Prevention Associations Hold Convention

URGE MORE COOPERATION

Vice-President Wilbur of America Fore Group Favors Separation—Calls for Loyalty to Union

Field men were pictured as the ex officio committee on public relations for insurance companies and by the measure of their real company loyalty held responsible for the loss ratio, in addresses before the Tennessee Fire Underwriters and Tennessee Fire Prevention associations which met June 8-9 at Signal Mountain.

The sessions were notable for speeches by J. R. Wilbur, vice-president and western manager of the American Fore group and chairman of the governing committee of the Western Union; Commissioner A. S. Caldwell, and J. Burr Taylor, special representative of the fire prevention department of the Western Actuarial Bureau. The meetings marked the 15th annual convention of the two associations.

Separation Favored

Mr. Wilbur brought a message in favor of absolute separation which was seconded by a recommendation of the executive committee of the State Underwriters.

"A large majority of the Union favors absolute separation," Mr. Wilbur declared. "Of course certain considerations relating to the stand are in suspense because of the situation in the east, where we have the Eastern Underwriters Association. However, I do not think one organization in the middle western territory is probable."

Loyalty to Union Urged

Mr. Wilbur said the governing committee is sympathetic with problems presented by field men and that members of the committee have realized that their "contact with field organizations is not what it should be." He urged loyalty to the Union and advised against any "back door" effort to weaken the Union's stand on separation.

Commissioner Caldwell in his speech at the opening session of the Underwriters Association declared there are too many agents and too frequent instances of over-insurance in Tennessee. He showed no hesitancy in placing the blame for Tennessee's loss ratio of 73.83 in 1925 and 62.05 in 1926 on over-insurance and on the failure of field men to investigate the records of local agents before appointment and to see that risks are inspected.

Agents Too Numerous

"My policy is not to license a man who will not pay his companies," Commissioner Caldwell said. "There are too many agents now in Tennessee, which condition is not a benefit to the business. Already this year I have cut out 100 agents, some because of general unfitness under our agency qualifications law and others because they were appointed by field men solely for the sake of a greater volume of business."

The election of officers for both associations followed the precedent of advancing the vice-president to the presidency. The new officers are:

Underwriters Association: President, W. P. Steele, Fire Association; vice-president, Caesar Thomas, North America; secretary-treasurer, W. P. Rankin, North America; executive com-

SHOWS EFFECT OF STORM IN SOUTHERN STATES

FIGURES FOR FOUR YEARS

Big Tornado in Florida Had Its Influence in Forcing up the Loss Ratio Materially

The Southern Tornado Insurance Association has compiled its experience for the four years ending Dec. 31, 1926, showing the effect of the Florida hurricane of last September. The total premiums for 1926 in the Atlantic coast division were \$626,140 and the losses \$8,999,320, loss ratio 1437 percent. In the inland district the premiums were \$3,037,325, losses \$1,793,021, loss ratio 59 percent. In the Gulf coast district the premiums were \$1,521,655, losses \$2,650,158, loss ratio 174 percent. On the four years' record the inland district showed a loss ratio of 35 percent, Atlantic coast 788 percent, Gulf coast 85 percent and the combined loss ratio 107 percent. On the four year record the highest loss ratios by classes are, as follows: Bridges, open steel and iron, 213 percent; bridges, closed frame, 215 percent; buildings in process of construction, superior, 217 percent; buildings, superior, 651 percent; dwellings and barns, 129 percent; fair grounds and park buildings, 200 percent; iron gas holders, 186 percent; mercantile stocks, brick, frame and ironclad, 162 percent; resort hotels, 296 percent; tobacco factories and warehouses, brick, 341 percent; brick tobacco stemmeries, 365 percent; frame tobacco factories, 419 percent. Last year the storm losses on dwellings and barns in the entire district were \$7,008,975.

mittee, F. H. Warren, A. B. Paschall, George W. Harbison, H. P. North and H. P. Vincent.

Fire Prevention Association: President, J. C. Schmitt, Home; vice-president, H. P. Vincent, North British; secretary-treasurer, W. P. Rankin, North America. Members of the executive committee will be appointed later.

Sessions of the field men were marked by pleas for cooperation in activities of both associations. Annual reports of all officers were replete with figures showing the small turnout of field men for inspections and for regular meetings.

Repeal of Law Commended

Commissioner Caldwell commended the repeal by the last legislature of the valued policy law and explained the amendment which provides that the amount of insurance carried on a risk would be held correct unless reduced as a result of an inspection within 90 days after the effective date of the policy. He insisted that the new law would be given a "fair and square trial."

As a result of this legislation and other developments in underwriting conditions, Commissioner Caldwell declared, Tennessee is "progressing more rapidly than any other state in the south."

Year's Work Reviewed

Retiring President R. W. Davis of the Underwriters Association reported on the association's work, particularly in legislation, which brought about the repeal of the valued policy law and enactment of an arson law. He pointed out that these changes will necessitate the revision of policy forms.

This was supplemented by a report of F. H. Warren, chairman of the executive committee, who recommended that steps be taken to make policies conform to recent Tennessee decisions and statutes. Mr. Warren also declared that the association stands squarely behind the principle of separation. He pointed out that agency collections throughout the state are in "good condition."

The meeting of the Prevention Association centered on reports that field

MANY MEETINGS HELD DURING THIS MONTH

FIELD GATHERINGS IN JUNE

Number of State Associations of Local Agents Are Having Their Annual Conventions

This is one of the big convention seasons. The field men of the central west for the most part hold their meetings in June because they assemble at summer resort hotels which open for business July 1. The Tennessee field men started the ball rolling last week, meeting at Signal Mountain near Chattanooga. This week the Kentucky field men are meeting at Crab Orchard Springs. The Georgia Association of Insurance Agents is holding its meeting this week at Tybee Island, near Savannah.

Next week will be a full one. The Arkansas Association of Insurance Agents will meet at Little Rock on Tuesday. The Mississippi Association of Insurance Agents will meet at Gulfport, Tuesday and Wednesday. The West Virginia Association of Insurance Agents will meet at Bluefield, Tuesday and Wednesday. The Ohio Association of Insurance Agents will meet at Cleveland Wednesday and Thursday. The meeting of the various state local agents' associations in New England will meet at Poland Springs, Maine, Tuesday, Wednesday and Thursday. The Dakota field men and the Minnesota field men will meet at Alexandria, Minn., at different resorts next week. The Wisconsin field organizations will meet at Lake Delavan Tuesday and Wednesday. The Indiana field men will meet at Lake Wawasee, Ind., Tuesday and Wednesday.

The last week of the month will also be busy. The Illinois State Board meeting will be at Lake Delavan, June 28-29. The Illinois Field Club will meet at Lake Nippersink, June 29-30. The Michigan field men will meet at Port Huron, June 29-30. The Kentucky Association of Insurance Agents will meet at Lexington, June 28-29.

men are not cooperating sufficiently in the inspection of towns. Both retiring President H. D. Forrester, of the L. & L. & G. force, and Secretary Rankin cited figures to show that only 20 percent of the field men attended these inspections. They pointed out the urgent need for cooperation in order to make fire prevention work a success.

J. Burr Taylor of Kansas City, Mo., special representative of the fire prevention department of the Western Actuarial Bureau, told the field men that they represented the companies in the eyes of the public and that prevention work should not be undertaken as a "perfunctory proposition." He stressed the importance of making careful inspections and of becoming acquainted with property owners as well as with local agents. He also cautioned the field men against becoming disheartened over slow compliance with their recommendations, emphasizing the point that the reduction of the loss ratio is their big job, and that rates will take care of this.

Prevention Campaign Scheduled

The Fire Prevention Association plans an intensive campaign this year to enlist Tennessee towns in the Inter-Chamber Fire Waste Contest of the United States Chamber of Commerce. The general chairman of this work is Norman B. Berry of the Aetna, chairman of the executive committee.

Captain E. T. Holman, chief engineer of the Tennessee Inspection Bureau, described some of the Bureau's recent work in prevention and protection, calling special attention to the activities of Captain W. D. Rodgers in

(CONTINUED ON PAGE 10)

ANNUAL MEETING FOR NORTH CAROLINA HELD

Thomas P. Barber Reelected President of Agents' Association of State

HAD SPLENDID PROGRAM

Prominent Insurance Men Are Speakers at Big Gathering of Local Men Held in Durham

Thomas P. Barber was reelected president of the North Carolina Association of Insurance Agents at the annual convention in Durham last Thursday. Sam Ruffin of Raleigh, who has been secretary-treasurer for several terms, was elected vice-president, while W. S. Markham of Durham was elected secretary-treasurer. The new executive committee will be appointed in a few days by the president. More than 200 delegates and visitors including several ladies were registered, of which number 100 or more were local agents.

Pay Tribute to Hitchcock

After the opening formalities at the first session, and before any business was entered upon, a resolution was offered by Thomas F. Southgate of Durham in tribute to C. I. Hitchcock, late president of the "Insurance Field." Mr. Southgate's motion to adopt the resolution was seconded by Fred C. Odell of Greensboro and the convention gave a unanimous affirmative vote. The resolution is given herewith: "Be it resolved by the North Carolina Association of Insurance Agents that in the death of Champion Ingram Hitchcock, the insurance interests sustained an irretrievable loss. Trusted by companies and agents, his role was generally that of a peacemaker. Never ruffled, always serene, eminently fair, his judgments were sought in time of stress. Measured by the positive, constructive things that came into being through his hands, he attains great stature. Measured by the esteem, confidence and love his multitude of friends bore him, he stands a colossus."

Few Important Problems

The delegates were welcomed to Durham by Mayor Pro-tem W. F. Carr, whose cordial talk was responded to with appreciation by Mr. Odell. Following this exchange of greeting, President Barber presented his annual address, in which he pointed out the very satisfactory conditions now prevailing in the business in North Carolina. "Other than the ever-present problem of increasing our membership," said President Barber, "we have had presented to us but few matters of importance. The most outstanding and significant matter to engage our attention was that of compulsory automobile liability insurance. A bill was introduced at the last session of the legislature requiring each owner of an automobile or motor car operated upon the public highways within the state to obtain liability insurance. As the reasons for opposing this bill are obvious, Secretary Ruffin and I immediately began a campaign to defeat it, resulting in the bill being killed in committee." President Barber emphasized the fact that there is no denying the need of better safety laws, but pointed out that compulsion of the kind contemplated in the law referred to would really have an opposite effect from that desired.

Rates Increased Without Friction

Speaking of rates, President Barber said: "At the meeting in Asheville last

year this association went on record as approving the general increase in rates on certain classes in the state, believing that the increase was eminently fair and necessary. This change in rates has been made effective with very little friction. With a few exceptions the companies represented by us have at all times shown a disposition to assist us in carrying through any program of apparent benefit to our association, and in turn we should be loyal to these companies in supporting them with this same fine spirit of cooperation.

Little Bank Agency Trouble

"The bank agency question," Mr. Barber continued, "which caused us much worry year before last, gave us practically no trouble last year." The president then gave an account of the work done at the mid-year conference of the National association, which he attended, and laid especial emphasis on the progress made by the better business methods committee in its efforts to develop an accounting system for local agencies that would eliminate much of the waste now believed to be prevalent.

Mr. Barber expressed the belief that the association's influence could very properly be directed toward placing on the statute books an improved qualification law. He recommended a special committee to work on the problem. His views on the matter of a qualification law were later given support by Commissioner Stacey W. Wade in his talk before the convention.

Recommends Insurance Journals

In his report as secretary, Sam Rufin laid emphasis on the need for increasing the membership. He cited the fact that the total roster had never contained more than 210 names, and that the present registration is 160. An interesting part of his report as secretary came when Mr. Rufin warned the agents that if they do not make it a practice to read the insurance journals diligently they will quickly become behind the times. He emphasized the efforts of the papers to boost the membership and arouse new interest in the various organizations. Mr. Rufin was next called upon to report as treasurer, and he gave a most comprehensive accounting of the funds. The association has a balance with all debts paid, but the treasurer showed that there are several behind with their dues, which sums, if paid, would give a balance of several hundred dollars.

Business Progressing Smoothly

Commissioner Wade, who never fails to bring the convention a splendid message, expressed his gratification for the present tranquil progress of the fire business in North Carolina, and gave the agents much credit for the satisfactory trend. He was gratified with the decrease in the loss ratio, and revealed that the fire damage has been steadily cut down. He devoted much of his talk to an agency qualification bill, and urged the association to set out with this objective. He declared that they might fail to obtain the passage of such a measure for two or three legislatures, but that they should keep everlastingly at it. He thanked the agents, companies and others for the cooperation his department has received, urged its continuance and pledged anew his best efforts in the interest of the business and of the public.

Work of Executive Committee

The report of the executive committee was presented by James Owen Reilly, Wilmington, past president, who gave details of the two regular sessions held in the past year. Special features of the committee's work were combating the compulsory automobile legislation, which Chairman Reilly warned the members will be sure to recur, completing steps for incorporating the association, and the determination to bend every effort to assist in eliminating the evil of the "not-taken" policy. Col. Walker Taylor, Wilmington, chairman of the legislative committee for many years, had to report that his committee had little to do in the matter of fire insurance legislation

during the last session of the legislature, as no inimical measures were offered. He detailed the conference held a year ago on the increase in rates, and showed how members of his committee, working with the commissioner, were able to show the public the need for increased rates.

Fire Losses Reduced

Col. James R. Young of Raleigh, former commissioner, gave the report as chairman of the conservation and fire prevention committee. He analyzed the state's annual fire loss in property and life, and recommended that the association stand as one man always in support of fire prevention. He presented figures from the statistical bureaus of the various state departments showing that fire kills about 300 people and destroys between \$6,000,000 and \$8,000,000 of property annually. He was gratified to note that so far this year there has been a good reduction in these figures from those of the same period in 1926.

Lunt Talks on Surety Lines

Wednesday morning Edward C. Lunt, vice-president of the Great American Indemnity of New York, drew a vivid picture of how corporate suretyship touches every person in the nation, and showed how the underwriting of the myriad types of bonds is different for the underwriting of insurance. Mr.

Lunt's knack of emphasizing his points with well-turned yarns made him a favorite with everyone, and the very important technical lessons he presented were thereby given intensified value.

Payne Represents National Body

Clifford A. Payne, past president of the Florida association and member of the national executive committee, was the principal speaker on the program Wednesday afternoon. He brought an official message from the national organization and was warmly received by the delegates. He stressed the action of the executive committee in the bank agency matter, the work in the Chrysler case, the efforts of the better business methods committee, and congratulated the Carolina men for their fine record. Following Mr. Payne's talk there was an executive session for members only for discussion of various grievances arising during the past year. This session closed the first day's business. In the afternoon there was a tea given at the Forest Hill Country Club as an especial compliment to the ladies.

Annual Banquet Held

The annual banquet was held in the evening. President Barber acted as toastmaster, and principal speech was made by Sherwood Brockwell, state fire marshal. Interspersing his talk with many fine and original turns of wit, Mr.

Brockwell made another of his irresistible pleas for more determined effort to eliminate the fire waste of the state, and called upon all the local agents to lend his office every possible cooperation. Mr. Brockwell also delivered a lecture on grand opera and then sang an aria from "Martha" to illustrate his analysis. He made it an emphatic burlesque, but the element of finished artistry was astonishing. Miss Louise Brockwell, charming daughter of the fire marshal, played the piano as her father's accompanist.

Tribute to James Southgate

Francis Womack, past president of the association, and a member continuously since its organization in 1898, was called upon by President Barber and he delivered a stirring tribute to the memory of James H. Southgate, who was one of the most illustrious men the Old North State ever produced. Col. Walker Taylor, also one of the original members of the association, added his tribute to that of Mr. Womack. The two told many interesting incidents in the life of Mr. Southgate, touching especially upon his activities in the National and state associations of the local agents, through whose history his name will stand out for years. The dance in the ball room following the banquet attracted a large number of delegates, visitors and local people.

Bank Agency Issue Dead

Thursday morning the closing business session of the convention took place. R. S. Busbee, president of the Atlantic Fire of Raleigh, made a speech and conducted an "ask me another" contest that made a decided impression. He quizzed several local and special agents on humorous as well as serious topics, his queries and the answers he received in puns on various outstanding members of the association drawing roars of laughter. Speaking in serious vein, Mr. Busbee declared the bank agency issue is now dead, the problem of putting collections and payment of balances can be solved by local boards, and chambers of commerce offer a fertile field for cooperation with the local agents in spreading the gospel of insurance. He attributed much of the improvement seen lately to the more diligent underwriting practices that have developed, and declared that the continued improvement of risks cannot fail to be a big element in keeping up the good record.

Advocates Joint Meeting

President Barber introduced James T. Catlin of Virginia, who gave a good talk, expressing among other things the hope that the Virginia and North Carolina associations might be made to hold a joint session. John T. Hutchinson of Detroit, secretary of the Insurance Federation of America, was present at the closing session, and when asked to say a few words gave a brief talk along institutional lines and congratulated the convention for its fine showing. Following this came the election of officers and the adoption of resolutions. Francis Womack presented the report of the resolutions committee, which was unanimously adopted.

Resolution on Firemen's Group

In making the report on the National executive committee's resolution and recommendations concerning the Firemen's, the Girard F. & M. and the Northwestern National, Chairman Womack of the resolutions committee asked if it was the desire of the convention to have the resolution presented with its report or referred to the executive committee. Past President James Owen Reilly then made a motion that the entire convention vote on the resolution. The motion was duly seconded and the vote was practically unanimous in favor of adopting the National committee's recommendation. This puts the North Carolina association on record as declaring the three companies named as being in violation of the association's

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TABLE OF CUBIC FOOT BUILDING COSTS BROUGHT DOWN TO DATE

H. A. COCHRAN, general manager of the Virginian Appraisal Co. of Huntington, W. Va., has brought down his table of cubic foot costs to June 1. Building costs have been falling rapidly this year and Mr. Cochran believes that by the end of 1927 there will

be a further decrease, owing to a termination by large contracting concerns to reduce construction costs. They are able to do this through many ingenious methods of the handling of materials and close management of their productive labor.

BUILDING COST PER CUBIC FOOT BASIS

CLASSIFICATION	1915	1916	1917	1918	1919	1920	1921	1922	1923	1924	1925	1926	1927
FACTORY OR WAREHOUSE													
To 300,000 Cu. Ft.	.14	.16	.20	.22	.26	.316	.206	.19	.25	.275	.28	.27	
Over 300,000 Cu. Ft.	.125	.145	.18	.225	.26	.29	.19	.18	.23	.25	.255	.245	
Mill Construction	.10	.115	.14	.175	.195	.225	.135	.13	.17	.19	.194	.185	
Ordinary	.09	.10	.125	.14	.175	.21	.135	.12	.16	.175	.18	.17	
Frame	.075	.085	.105	.12	.145	.17	.11	.105	.13	.145	.15	.14	
STORES													
Fireproof	.23	.265	.33	.375	.45	.52	.35	.33	.42	.45	.47	.45	
Ordinary	.165	.19	.24	.27	.325	.375	.235	.225	.29	.32	.326	.315	
Ordinary Flat above	.22	.255	.315	.35	.42	.485	.305	.28	.36	.395	.403	.39	
Ord'y - No Basement	.12	.14	.175	.19	.225	.24	.16	.175	.22	.24	.245	.235	
APARTMENTS													
Fireproof	.35	.40	.515	.59	.685	.78	.485	.48	.60	.65	.663	.64	
Protected	.295	.34	.425	.49	.58	.665	.42	.39	.52	.57	.58	.56	
Brick - Ordinary	.28	.325	.41	.46	.55	.63	.38	.35	.48	.525	.536	.52	
Brick - Veneer	.24	.28	.35	.41	.48	.54	.335	.29	.41	.45	.46	.445	
TRUSCON STEEL BLDGS.													
To 100,000 Cu. Ft.	.08	.095	.12	.14	.165	.18	.135	.12	.17	.19	.194	.185	
Over 100,000 Cu. Ft.	.065	.08	.10	.115	.135	.14	.09	.095	.13	.145	.158	.145	
Under 20,000 Cu. Ft.	.12	.14	.18	.20	.235	.25	.19	.175	.23	.255	.26	.25	
RESIDENCES													
Brick	.305	.355	.44	.51	.615	.685	.43	.39	.53	.58	.59	.57	
Veneer & Stucco	.24	.28	.35	.41	.48	.54	.32	.29	.45	.50	.51	.49	
Frame	.21	.245	.315	.37	.435	.485	.305	.25	.37	.405	.413	.395	
OFFICE BUILDINGS													
Fireproof	.305	.355	.44	.51	.615	.685	.49	.43	.60	.65	.663	.64	
Ordinary	.22	.25	.32	.375	.45	.485	.305	.28	.36	.42	.428	.415	
HOTELS													
Fireproof	.335	.39	.50	.57	.66	.735	.515	.44	.62	.68	.694	.67	
Ordinary	.295	.35	.44	.50	.585	.665	.415	.35	.51	.57	.58	.56	
SCHOOLS													
Fireproof	.22	.255	.315	.35	.42	.485	.36	.34	.44	.50	.51	.49	
Ordinary	.19	.22	.275	.31	.33	.35	.27	.26	.35	.39	.40	.39	
CHURCHES & THEATRES													
Fireproof	.18	.21	.27	.31	.36	.405	.315	.30	.39	.45	.46	.445	
Ordinary	.165	.18	.235	.28	.325	.35	.22	.20	.26	.30	.31	.295	
HOSPITALS													
Fireproof	.32	.38	.485	.57	.66	.72	.43	.35	.45	.50	.51	.49	
GARAGES													
Fireproof	.15	.18	.225	.26	.28	.30	.23	.19	.25	.30	.31	.295	
Mill Construction	.11	.13	.16	.175	.19	.20	.135	.125	.17	.20	.205	.195	
Ordinary	.09	.10	.125	.145	.16	.17	.125	.12	.15	.17	.175	.165	
Frame	.07	.08	.10	.11	.125	.14	.105	.09	.13	.145	.15	.14	

NOTE:

Rates shown above are in Cents per Cubic Foot. Usually outside measurements are taken, and using average height where necessary. These values are for ordinary buildings of their kind, well but economically constructed.

For buildings unusually decorated, or with special features such as very long spans, deep footings, etc., the cost will be somewhat higher, but no definite rule can be given covering such extras. In general their expense should not exceed (per cu. ft.) 3/4 in Factories, 7/8 in Stores, 10/8 in Residences, 15/8 in Apartments or Hotels, Etc.

Figures for Fireproof Buildings do not include Power Room Equipment or anything out of the ordinary, but include Elevators, Etc.

For Stores, Apartments, Hotels, Etc., these figures cover structural work on ordinary equipment such as Elevators, Etc., but they do not include Boilers, Engines, Sprinklers, Etc.

Fireproof is defined as a modern steel building with reinforced frame and such features as concrete and tile floors, enclosed elevator shafts, enclosed stairways, metal and wire glass protection where necessary.

With good judgement, these figures will be found closely accurate for estimating purposes.

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FIRE — AUTOMOBILE — WINDSTORM — SPRINKLER LEAKAGE — MARINE



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USE AND OCCUPANCY — RIOT AND CIVIL COMMOTION — PERSONAL EFFECTS FLOATER

LOCAL AGENTS FOUND TO OVERLOOK BUSINESS

FAIL TO GIVE FULL SERVICE

**Business Getters Who Do Not Try to
Write Hail With Tornado Coverage
Miss Chance to Increase Earnings**

Local agents in the central west learned from the recent series of tornadoes with their frequently accompanying hail storms some facts about hail insurance that should be valuable to them in increasing their business in future. Innumerable claims of damage caused by hail have been recorded since the storms, but in all too many cases the insured has found that his windstorm policy did not carry a hail rider and that, therefore, he had no means of collecting. Hail following many of the storms has seriously damaged shingle and composition roofs, siding on dwelling houses, the glass and roofs of solarium and other parts of light structures. Also in many cases it so badly damaged the tops of automobiles that the tops have had to be entirely replaced.

The Chicago office head of one large company writing the tornado line reports that many policyholders have called his office asking why the agent, when he sold the policy, did not mention hail coverage. These calls indicate that in many cases it is not the public's unawareness of hail insurance that is at fault, but the agent's failure to try to sell this line.

"Big-City Psychology" Harmful

The office manager reporting this condition says that an agent working in or near large cities often acquires a "big-city psychology." He says to himself that hail damage to skyscrapers and large manufacturing structures is always negligible and concludes from that that no one in or near the city is a prospect for hail insurance. This attitude results in the public's failing to obtain insurance in proper quantity and in the agent's losing a good amount of business.

It is pointed out that any agent in the central states from Canada to the Gulf who fails to offer his clients an opportunity to buy hail insurance is not giving service and he should drop the word "service" from his vocabulary. Even though everyone in this region has learned what damage hail can do, not all prospects will buy hail coverage. But the agent who fails to expose his clients to the opportunity to purchase such coverage is failing in his obligation to the public.

Combined Policy Advocated

The idea has been advanced by some managers that it is highly desirable, because potentially profitable, to develop a combined tornado and hail policy, which would automatically cover on hail all who buy tornado policies. Advocates of the combined policy say that the present hail rate could be cut in half and the companies would still make much more on hail business than they make at present. These men bolster their argument by pointing out how much better business is in the explosion insurance line following development of the all-coverage explosion policy.

Reinsures Eastern Business

PHILADELPHIA, June 15.—The Norwich Union Indemnity has reinsured part of the Philadelphia business of the International Indemnity of Los Angeles, which has ceased writing business in Pennsylvania, New Jersey and Maryland. It is stated that the American Casualty of Reading, Pa., has reinsured some of the International's business in this territory.

The company entered these three states in 1925. Manager L. H. Angell will continue the Philadelphia branch office of the company until the business in the three states has been disposed of.

ANNUAL MEETING FOR NORTH CAROLINA HELD

(CONTINUED FROM PAGE 8)

principles, as the various other state conventions so far have done.

An effort to pass an amendment not to insist upon a president serving more than one term was defeated at this meeting. When it came time for consideration of the 1928 meeting place, a very cordial invitation was presented from Pinchurst, with urgent letters and telegrams asking the agents to come there. W. B. Merrimon presented an invitation from Greensboro. He introduced the secretary of the Chamber of Commerce of Greensboro, who brought a strong second to the invitation from the 1,000 members of that body. The convention voted unanimously to meet there next year.

E. M. Allen, vice-president of the National Surety and formerly president of the National Association of Insurance Agents, had been scheduled to come to the convention and was on the banquet program. Unfortunately the illness of Mrs. Allen kept him away. Joseph S. Raine, secretary of the S. E. U. A., was a very popular visitor.

INSURANCE MEN ASK THAT "LINDY" HEAD PLANE PLANT

Earl C. Thompson, president of the Commonwealth Insurance Agency of St. Louis, one of the financial backers of Col. Charles A. Lindbergh, who flew the "Spirit of St. Louis" across the Atlantic, has announced that plans are under way to build a \$1,000,000 airplane factory in St. Louis if Col. Lindbergh will consent to accept the presidency of the concern.

A committee of five has been appointed to draw up plans for the new enterprise so that something definite can be offered Col. Lindbergh when he returns to St. Louis June 17. Col. Lindbergh has expressed a desire to make St. Louis his future home and to continue his interest in aviation.

M. E. Singleton, president of the Missouri State Life and W. Frank Carter, attorney and a vice-president of that company, are members of the committee.

Mr. Thompson has also announced plans for an eight-hour airplane passenger service between St. Louis and Denver, with a stop in Kansas City. The St. Louis Chamber of Commerce has been asked to support the new line. In both Denver and Kansas City the needed financial support has been obtained.

Many Collision Claims

With the increase in hard roads companies are finding that collision losses are more prevalent in the country districts. On Saturday afternoons, evenings, Sundays and holidays the congestion throughout the entire length of the roads is noticeable. There are more crossing accidents than heretofore. The companies are beginning to feel that country automobiles therefore have an increasing hazard from the collision standpoint.

Would Bar Combustible Roofs

HARTFORD, June 15.—At a meeting of the Hartford Board yesterday a resolution was unanimously adopted advocating "the prohibition by law of the use of all combustible roof coverings on new construction within the corporate limits of Hartford and the elimination within 12 years of such coverings now existing."

The schedule of the board produces a lower rate on buildings and their contents where roof coverings are of approved noncombustible material and the desire of the Underwriters is that property owners be made fully aware of the menace of wood shingle roofs both for individual fires and as affording material for sweeping conflagrations.

FIELD MEN ARE PUBLIC RELATIONS COMMITTEE

(CONTINUED FROM PAGE 7)

training paid and volunteer fire departments throughout the state.

Captain Holman believes that Tennessee is on the right road to wiping out its unprofitable records, and he believes that "new days are ahead for the insurance business."

Most Loyal Gander W. T. Huff of the Tennessee pond of the Blue Goose and other officers, who were elected last winter to fill out the short term, were retained in office for another year. Mr. Huff and Harry Amonette were elected delegates to the Grand Nest meeting in Dallas in October. E. H. Sherley and Richard Bolling were chosen as alternates.

The two-day convention came to a close with the annual dinner-dance of the Tennessee pond. The committee in charge was Robert L. Bolling, P. J. Walker and H. P. North. This social event marked a departure from previous Blue Goose functions in that there were no speeches.

"AMBULANCE CHASING" BILLS OFFER PROBLEM

MADISON, Wis., June 15.—Insurance companies are now facing a serious problem due to the bills introduced to curb ambulance chasing in Milwaukee. This has grown out of the investigation conducted in the Milwaukee circuit court before three judges.

One of the bills, 536-S, provides that any claim settlement made in a personal injury or property damage case may be opened in 90 days for judicial review, providing the claimant was not represented by an attorney. If the claimant was represented by an attorney, the case is closed. This particular measure will apply to fire insurance settlements and in fact, to every kind of insurance except surety. The fire insurance interests are endeavoring to have an amendment put through striking out the phrase "property damage."

When the bill came up in committee about 20 prominent attorneys of Milwaukee were present to talk for the passage of the bill. They failed to see, however, that the primary purpose of the bill, which is the elimination of ambulance chasers in personal injury cases, would be defeated. The Insurance Federation of Wisconsin, in fighting this bill because of its effect on all forms of insurance settlements, pointed out that any "smart" ambulance chaser would advise his client not to get an attorney so that in the event his injury became more serious within the 90 days of grace, the injured person could ask for a judicial review of the settlement.

Another bill is 226-S which relates to the soliciting of personal injury claims. There is an amendment coming through for this measure which has not been printed yet, but it is reported that the amendment will impose a serious hardship on insurance adjusters.

Ruling on Fleet Rates

Commissioner Mallison of West Virginia has issued a ruling that only automobiles owned by a firm or corporation can be included under one policy at fleet rates. He held that privately registered cars of officials and employees of such firms and corporations may not have the advantage of fleet rates.

St. Louis Appointments

John B. Elliott, 6149 Natural Bridge avenue, and Walter W. Mestemacher, 2320 North Union boulevard, St. Louis, have been elected to associate membership in the Fire Underwriters Association of St. Louis. Mr. Elliott represents the Automobile as a Class No. 3 agent, while Mestemacher is a No. 2 agent for the Potomac and Milwaukee-Mechanics. The Security-Agency Company, 519 Chemical building, has been appointed a No. 1 agent for the Presidential.

HARD FIGHT SEEN ON PRESIDENCY OF A. A. A.

OPPOSITION HAS DEVELOPED

**Charles M. Hayes, President Chicago
Motor Club, Will Not Gain Office
Without Contest**

NEW YORK, June 14.—Contrary to the general impression prevailing last week that the election of officers for the American Automobile Association will be a tame and foreordained affair at the annual meeting to be held in Philadelphia this week, reports now indicate that considerable opposition has developed against the presidential aspirations of Charles M. Hayes, president of the Chicago Motor Club and an active factor in its reciprocal. He was put forward and supported as a candidate by the outgoing president, Thomas P. Henry, president of the Detroit Motor Club and attorney-in-fact for its reciprocal.

Mr. Hayes, who is also receiving the ardent support of Oscar J. Brown of Syracuse and Roger Young of Buffalo, both strong proponents of mutual and reciprocal insurance for automobile clubs for many years, is being formidably opposed by those members of the A. A. A. who believe insurance should be kept out of automobile clubs.

A strong candidate is Fred Caley, secretary of the Cleveland Club, whose platform is that automobile clubs should stick to their own proper functions and leave insurance alone. The lines between the rival candidates and platforms are sharply drawn and a hard fight is expected between the proponents and opponents of insurance for local clubs.

T. J. Houston Is Elevated

Thomas J. Houston of Chicago, well-known independent adjuster, former Illinois state insurance superintendent and now president of the Chicago Board of Civil Service Examiners, was elected imperial high priest and prophet at the convention of Nobles of the Mystic Shrine at their convention in Atlantic City this week. Mr. Houston was imperial oriental guard up to this session. There were 100,000 Shriners in the procession at Atlantic City, the parade opening the imperial council's session.

Leach Again Elected

George E. Leach, former northwest field man and later superintendent of agencies of the Minneapolis Fire & Marine, of which his brother Walter C. Leach is general manager, was elected mayor of Minneapolis for the fourth consecutive term at the election this week. He defeated Alderman O. J. Turner, president of the city council, by more than 5,000 votes. Mayor Leach is a world war veteran, having commanded the 151st field artillery in France with the rank of colonel. He is now a brigadier general in the Minnesota National Guard.

McLean Gets Appointment

Scott A. McLean of Superior, has been appointed deputy state fire marshal in Wisconsin to succeed C. F. Asmuth of Milwaukee who resigned to become an independent adjuster in Milwaukee.

Security Enters Pennsylvania

The Security Fire of Davenport is entering Pennsylvania. The state will be in charge of Paul A. Schmitt, 24 Dunlap avenue, N. S. Pittsburgh.

Beha Gets L.L.D. Degree

The degree of L.L.D. was conferred on Superintendent J. A. Beha, of the New York insurance department, by the Manhattan College of New York this week.

a poor Gamble



MANY people are inclined to "take a chance" with their personal belongings during the vacation period. But in that short space of time, the danger of losing valuable possessions is present every minute of the day and night.

Our agents are showing their clients and prospects the great odds that are against them from the moment they leave home — unless they carry Personal Effects Insurance. In taxicabs, railroad stations, on trains, aboard steamers, buses, at the hotels—everywhere lurks the menace of fire, theft, the perils of transportation. At no other time is a person exposed to loss from so many different risks.

And our agents are proving that no other policy gives as much protection per dollar as Personal Effects Insurance. By stressing the low cost, and explaining the wide limits of the coverage, *anywhere* away from home, they are making a record this year in sales of this insurance.

THE **LIVERPOOL**
AND **LONDON**
AND **GLOBE**
Insurance Co., Ltd.

Western Department
CHICAGO

Southern Department
NEW ORLEANS

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Executive Offices: 1 Pershing Square, Park Ave. at 42nd St., New York, N. Y.

THE NATIONAL INSTITUTION WITH A WORLD WIDE BACKGROUND

PROPOSED COMMISSION REDUCTIONS IN CHICAGO

Amendments to Chicago Board Rules Have Approval of Executive Committee

TO BE VOTED UPON JULY 14

Predicted That Effort to Remedy High Commission and Brokerage Evil Will Be Successful

Amendments to the constitution and by-laws of the Chicago Board as prepared by Manager Ernest Palmer and approved by the executive committee are being sent to the members this week and will be voted upon at the regular quarterly meeting July 14. They provide reductions in commissions of 10 percent on certain classes of business for class two members and brokers. The purpose of the proposed regulations is to solve in some measure the high commission and brokerage evil that has existed in Chicago for so many years.

Adoption Predicted

It is believed that the changes as now presented will be favorably voted upon. There are 152 class one or voting members and in order to carry, the proposed amendments must receive a 60 percent affirmative vote which means the support of 92 class one members. It is the belief of those who have canvassed the situation thoroughly that the amendments will get at least 100 favorable votes and possibly more.

Manager Palmer's Comment

Regarding the amendments as now offered, Manager Palmer says: "It will be a wiser policy to begin now the correction of the brokerage and commission evils than to await the adoption of a comprehensive program covering every detail. We believe that there can be no serious objection to any portion of these provisions by either companies or agents. After these provisions have been in successful operation for six months or a year, any further steps which may be advisable can be readily taken. The management urgently recommends the adoption of the entire program as here submitted."

New Commission Scales

The new rules provide these commissions:

CLASS ONE
(Principal City District Agents and Managers)

Members of Class One on interchange of business with each other may pay and receive brokerage thereon not exceeding the following:

	Percent
Ordinary	15
Intermediate	20
Preferred	25

CLASS TWO

(Outer City and Suburban Agents)
Members of Class Two on business written or placed with members having jurisdiction over the territory in which the risk is located may receive commission or brokerage thereon not exceeding the following:

	Percent
Ordinary	15
Intermediate	20
Preferred	25

On property within Principal City District:

	Percent
Brokerage—Ordinary	10
Intermediate	15
Preferred	20

Controlled by Board

This means that Class Two commissions are to be controlled by the Board and are fixed in accordance with the graded scale of commissions, namely: 15

percent ordinary, 20 percent intermediate, 25 percent preferred, in Outer City and Suburban District.

It further means that on business placed by members of Class Two on principal city district property, the brokerage which they are permitted to receive from the Class One member writing such business is 10 percent ordinary, 15 percent intermediate and 20 percent preferred, and will be applicable to all kinds of business in that district, whereas, the present practice is to limit their right to receive brokerage to insurance upon buildings, leaseholds and rents.

Class 3 Regulations

Class Three membership is defined under the new regulations in this way:

CLASS THREE-A

(Insurance Brokers)

Members of Class Three-A on business placed with members may be paid brokerage thereon not exceeding the following:

	Percent
Ordinary	15
Intermediate	20
Preferred	25

CLASS THREE-B

(Outer City and Suburban Brokers)
Members of Class Three-B on business placed with members may be paid brokerage thereon not exceeding the following:

On property outside Principal City District:

	Percent
Ordinary	15
Intermediate	20
Preferred	25

On property within Principal City District:

	Percent
Ordinary	10
Intermediate	15
Preferred	20

CLASS FOUR SCALE

Members of Class Four on business placed with members having jurisdiction over the territory in which the risk is located and who are policy writing representatives of companies, may be paid brokerage not exceeding the following:

On property located anywhere in Cook County:

	Percent
Ordinary	10
Intermediate	15
Preferred	20

Given More Latitude

Under the old rule, members of Class Four were limited to brokerage on buildings, leaseholds and rents, and furniture and fixtures. The proposed rule allows them brokerage on all classes of business and this is necessary because of the very considerable number of present Class Three members in the principal city district who will be forced into Class Four with a lower scale of brokerage.

CLASS FIVE

(Non-Resident)

Members of Class Five on business placed with members having jurisdiction over the territory in which the risk is located and who are policy writing representatives of companies, may be paid brokerage thereon not exceeding the following:

10 per cent on all classes of business.

Registration Regulations

The registration of employees is regulated by this paragraph: "Section 12. Members may pay brokerage to their registered clerks who give their entire time to the service of their employer in inside office duties only, place their entire business with their employer, and transact their entire business in the name of and for the account of their employer."

"Members may also pay brokerage to their registered salaried employees who give their entire time to the service of their employer on outside duties or on partly inside and partly outside duties, place their entire business with their employer and transact their entire business in the name and for the account of their employer."

Must Be Annually Registered

"All of the foregoing employees shall be annually registered with the Board by their employer; each clerk shall pay an annual registration fee of one dollar and each of the other employees shall

pay an annual registration fee of ten dollars.

"Members are responsible for the acts of their employees, in the same manner and to the same extent as though the acts were their own, and the qualifications of persons presented for registration shall be subject to the approval of the membership committee."

"The rate of brokerage allowable to employees shall not exceed the rate of brokerage which the employer is permitted to receive on the same business. Members may not, however, pay brokerage to employers of other members."

The entrance fee for class one members is changed from \$750 to \$1,000.

ASSIGNMENT OF CLAIMS IN DEFUNCT COMPANY

Question—As an agent for the Integrity Mutual at the time of its difficulties, I happened to have a few policies unexpired, these were replaced

personally for the time that was unexpired at my own expense. Have I any grounds upon which to file a claim?

Answer—You must get an assignment of the claim from your policyholders for the return premium before you can legally establish your claim with the receiver of the Integrity Mutual Casualty. After the assignment has been made you can put in your claim for the amount expended. You have a legal right to do so.

At the conclusion of the performance of the Amateur Dramatic Club a well meaning young man said to the matron who played the leading lady: "I congratulate you; you played the heroine admirably." "Thank you," she replied, "but a young and pretty woman was really needed for that part." "Ah, madam," said Mr. Tactless, "you proved it quite otherwise."

COMPANY AFFILIATIONS IN THE WEST

THE complete list of companies operating in all or a part of so-called "Western Union territory," according to affiliations, corrected up to June 15, 1927, is as follows:

UNION

Aetna	Inter-State Fire
Aetna Fire Und.	Iroquois
Albany	LaFayette
Alliance, Pa.	La Salle, La.
Allied Und.	Law Union & Rock
Amer. Alliance	L & L & G. Eng.
American Central	London & Provin.
American Eagle	London Assur.
Amer. Nat'l, Ohio	London Und.
Amer. Union	London & Lanc.
Anglo-Amer. Und.	London & Scottish
Atlas	Manhattan F. & M.
Atlas Und.	Manhattan Und.
Automobile, Ct.	Maryland
Brit. & Federal	Mass. F. & M.
British Und. Agcy.	Mech. & Traders
Caledonian	Merc. F. & M. Und.
Caledonian-Amer.	Mercantile, N. Y.
Caled. Amer. Und.	Mercurv
California	Michigan F. & M.
Capital, Cal.	Middlewest Und.
Carolina	Mid-West Dent. Ia.
Central, Md.	Minneapolis F. & M.
Cent. States, Kan.	Minnesota Und.
Cent. States Und.	Monarch Und.
Chicago F. & M.	Nat'l Amer. Neb.
Citizens, Mo.	National, Ct.
City of New York	Nat'l Security, Neb.
Colonial Fire Und.	Newark
Columbia, N. Y.	New Brunswick
Com'l Union, N. Y.	New England
Com'l Union, Eng.	New Hampshire
Commerce, N. Y.	N. Y. Fire Office
Commonw'lth, N. Y.	New York Und.
Connecticut	Niag.-Detroit Und.
Conn. Und.	Niagara
Continental Und.	N. B. & M. Eng.
County, Pa.	N. Car. Home
Delaware	Northern, Eng.
Delaware Und.	Northern Und.
Detroit F. & M.	N.W.F. & M. Minn.
Detroit Nat'l	Norwich Union
Dixie	Occidental Und.
Eagle	Ohio General
Eagle Star & Brit.	Orient
Employers Fire	Pacific States
English-Am. Und.	Patina
Equitable F. & M.	Patriotic
Equitable Und.	Pennsylvania Fire
Excelsior, N. Y.	Philadelphia F. & M.
Exchange Und.	Phoenix Und.
Federal, N. J.	Phoenix, Ct.
Federal Union	Phoenix, Eng.
Fidelity-Phoenix	Phoenix Und.
Fire & Marine Und.	Preferred Risk
Fire Ass'n	Presidential
Fireman's Fund	Protector Und.
First American	Prov. Washington
Forest City	Providence Und.
Franklin, Pa.	Provident Fire
Franklin Nat.	Provident Und.
General, France	Quaker City Und.
Ga. Fire Und.	Queen
Georgia Home	Queen City
Glens Falls	Reliance, Pa.
Globe Fire Und.	Retailers, Okla.
Granite State	Rochester Dept.
Great American	Royal Exchange
Hanover	Royal Und.
Harmonia	Scottish-Met.
Hartford	Safeguard
Hawkeye-Des M. Dt.	St. Paul F. & M.
Henry Clay	Scotch Und.
Hibernia Und.	Scotch Und. & N.
Home, N. Y.	Sentinel
Home Und.	Southern Home
Home F. & M.	Springfield F. & M.
Homestead	Standard, Ct.
Hudson	Standard, N. Y.
Hudson Und.	Star of N. Y.
Imperial	State, Eng.
Ins. Co. No. Amer.	Sun Und.
	Svea
	Tokio M. & F.

Transcontinental	Urbaine, France
Travelers	Victory, Pa.
Treaty Und.	Virginia F. & M.
Trinity, Tex.	Vulcan Und.
Twin City	Westchester
Union, Eng.	Western, Kan.
Union Marine	World F. & M.
United Amer. Und.	Yorkshire
United Firemen's	

BUREAU

Agricultural	Mich. Com'l Und.
Allegheny F. Und.	Millers Nat'l
Allemania	Milwaukee Mech.
Allemania Und.	Milwaukee Und.
American, N. J.	Nat'l-Ben Franklin
American Und.	Nation Und.
Baltimore Amer.	Nat'l Liberty
Ben Franklin Und.	National Union
Boston	National Reserve
British America	Netherlands
Buckeye Nat'l	New Haven Und.
Buffalo	New York State
Calumet Und.	North River
Camden, N. J.	N. W. Nat'l
Capital, N. H.	Northwestern Und.
Central Federal	Ohio Farmers
Cincinnati Und.	Old Colony
City, Pa.	Peoples Nat'l
Columbian Nat.	Pittsburgh Und.
Columbia, Ohio	Reliance
Concordia	Republic, Pa.
Dubuque	Rhode Island
Duquesne Und.	Rhode Island Und.
East & West	R. I. Union Und.
Empire State Und.	Richmond
Eureka-Security	Rockford Und.
Farmers, Pa.	Security, Ct.
Firemen's N. J.	Security, Iowa
Firemen's Und.	Security Nat'l, Tex.
Girard	Standard, N. J.
Girard Und.	Standard Amer.
Globe, Pa.	Superior, Pa.
Great Lakes, Ill.	Union, Buffalo
Guaranty, R. I.	Union, France
Holland-Amer. Und.	Union Und.
Ins. Co. State Pa.	United Amer., Pa.
Insurance Und.	United States
Iowa Und.	United States Und.
Jersey Fire Und.	U. S. Merch & Ship.
Keystone Und.	Washington Und.
Mercantile Und.	Western, Canada
Mechanics, Pa.	West. Nat., N. D.
Mechanics, Colo.	Western Und.
Merchants, R. I.	Wheeling, W. Va.
Metropolitan	Wisconsin Und.

NON-AFFILIATED

Alliance, Eng.	Iowa Fire
Allied, Pa.	Iowa Nat'l
Amer. Equitable	Iowa State
American Druggists	Knickerbocker
Amer. Lloyds	Liberty Bell
Anchor, N. Y.	Liberty, Ky.
Asso. Federal Und.	Lumberm., Pa.
Bankers, Mont.	Lumber Und.
Bankers & Shippers	Madison
Birmingham, Pa.	Merchants, N. Y.
Brit. & For. Mar.	Merchants, Ind.
British Gen.	Merchants Und.
Century, Scotland	Minnesota Fire.
Equity, Mo.	National F. & M.
Eureka	Nat. Guaranty
Export	National N. J.
Federal F. & M.	New Jersey
Fidelity Union, Tex.	New York Fire
Firemen's & Mech.	Northern, N. Y.
General, Wash.	Pacific
Globe Und.	Peoples, Md.
Globe & Rutgers	Pioneer, Ill.
Grain Belt, Ia.	Pioneer Equit.
Great Union F. & M.	Potomac
Hamilton	Rocky Mountain
Hampton Roads	Savannah
Home, Ark.	South Carolina
Illinois Fire	Stuyvesant
Ill. Trav. Home	Stuyvesant Und.
Importers & Exp.	Union, Ind.
Indem. Mut. Mar.	Utah Home
Independence	Vulcan, N. Y.
Indiana	Washington, N. Y.
Industrial, O.	Wolverine

NOW YOU CAN REMOVE THE MYSTERY FROM U & O!

"Here is a book on a simple subject which much palaver has made difficult! Any agent who could handle a mercantile fire risk can sell use and occupancy insurance!"

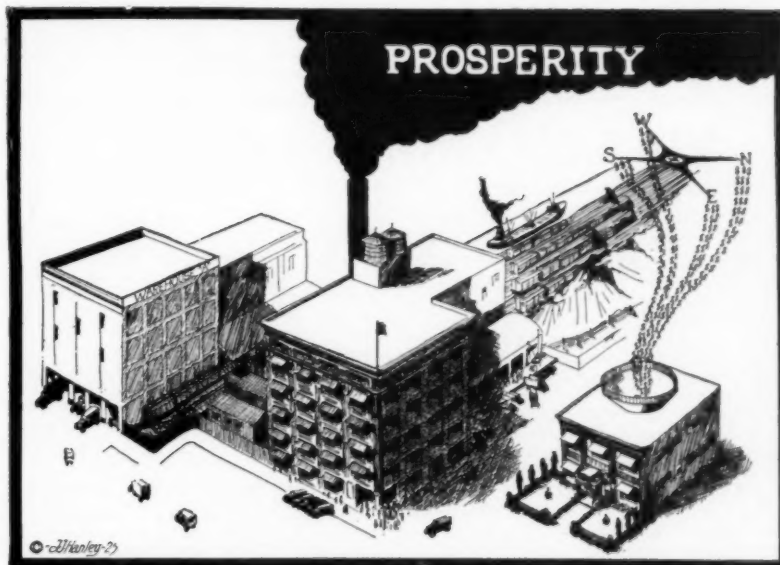
No other than W. S. Foster, assistant manager of the Insurance Company of North America, is the authority for the above statements—and he proves them with his new book "REMOVING THE MYSTERY FROM U & O INSURANCE," just published by The National Underwriter Company.

Every agent who wants to write his share of the U & O business in his community will want one, two, five or more copies of this first real work on U & O. Every client or prospect for U & O should be presented with a copy, for after they read this little volume they will be about 99 and 99/100 cents sold on U & O. All you need to do is to read the book yourself and furnish the extra push to write the line! Before you forget—tear out the coupon and mail it today!

HOW MANY

*Of These Items Do You
Know Enough About?*

Allocation of Earnings
Avoidable Expenses
Below "Zero"
Coinsurance Cost
Coinsurance Forms
Definition
Disaster
Earnings
Fixed Expenses
Fluctuating Earnings
Fluctuating Per Diem Limits
Fluctuating Weekly Limits
Good Will Not Insurable
Idleness
Margin
Million Dollar Turn-Over
Net Profit Coverage
Noon
Operating Expenses
Overhead
Overhead Coverage
Overlapping Dates
Partial Interruption
Per Diem Limits
Profit Insurance
Property Insurance Compared
Prosperity
Purpose of U & O
Seasonal Operation
Shut Down
Standard Forms
Thanksgiving Week
Unavoidable Expenses
Use and Occupancy Worksheet



*In This Great
Book on Use &
Occupancy*

**A Tested
Formula
for
Estimating
Use &
Occupancy
Value!**

W. S. FOSTER SCORES AGAIN!

Just as W. S. Foster's stereoptican discussions on U & O invariably are eminently successful, so his new book "REMOVING THE MYSTERY FROM U & O INSURANCE" has scored an instantaneous hit.

WHAT THEY SAY!

Here are a few of the comments which have been made by insurance men on Mr. Foster's discussion on U & O.:

From a Local Agent: "His handling of this little understood branch of the insurance business is so clear and excellent that we should like to have it in suitable form for distribution in this city."

From an Adjuster: "In my observation his article on U. and O. is the most complete, the easiest to comprehend, and is illustrative to the satisfaction of anyone who cares to read and absorb its meat."

From an Insurance Counsellor: "I do not know when I have read as interesting an article as that of Mr. Foster's on Use and Occupancy Insurance."

From an Eastern Editorial Writer: "Mr. Foster's article is conspicuous for the clearness with which it elucidates the intricacies of Use and Occupancy Insurance. He is a recognized authority with the ability to express himself interestingly and answer questions which seem most confusing to local agents."

Perhaps that last quotation strikes the key note, for Mr. Foster has the faculty of explaining different angles of the subject in a manner which makes them perfectly clear and understandable.

**Twenty-four
Illustrations
and
Charts!**

The National Underwriter Co.
1362 Insurance Exchange
CHICAGO

copied of W. S. Foster's new book on Use and occupancy
Name _____ Street _____ City _____ State _____
The National Underwriter Company,
1362 Insurance Exchange,
Chicago, Ill.
Please send me _____
Insurance "REMOVING THE MYSTERY FROM U & O INSURANCE." I enclose
\$ _____ to cover cost.

Every agent who wants a bigger income will want a copy of this book, and many will want additional copies for prospective customers. It makes the assured understand his needs and also shows him that he can get adequate coverage on a very serious hazard.

PRICES		
	Each	Total
Single Copy	\$1.25	\$1.25
Four Copies	1.25	5.00
Twelve Copies	1.10	13.20
Twenty-five Copies	1.05	26.25
Fifty Copies	1.00	50.00

COOPERATIVE PLAN IN THE RURAL DOMAIN

FARMERS' MUTUALS TOTAL 1,950

Risks Issued Are Valued by U. S. Department of Agriculture at \$10,000,000,000—40 Mutuals Write Tornado

According to a statement just issued by the United States Department of Agriculture, there are 1,950 farmers mutual fire insurance companies operating in the country and carrying a total of approximately \$10,000,000,000 in risks. This represents about one-half of the insurable farm property in the country. In addition there are 40 companies writing windstorm insurance and carrying risks estimated at \$2,000,000,000. Farmers mutual hail companies number 30, and there are 25 live-stock companies. The volume of risks carried by the hail companies is not definitely known. The live-stock companies are unimportant when considered on the basis of volume of risks carried.

A comparatively new type of farmers' mutual is the automobile insurance company. Four of these are now operating, one of them in eight states. They write coverage on fire, theft, collision, property damage and public liability.

Harold White Goes East

Harold G. White, who has been superintendent of the inland marine department at the western office of the Aetna has been appointed superintendent of the inland marine department of the Marine Office of America, New York City.

Mr. White has been in the west less than two years and during that time has made many friends who will regret his return to the east.

Mr. White's successor as superintendent of the inland marine department of the Aetna in the west has already been selected, and announcement will be made shortly.

MARBLE PLATE BROKEN BY OVERHEATED STERILIZER

Question: Would you kindly give me your opinion on a fire insurance company's responsibility in a loss of a marble plate broken by an overheated sterilizer? The plate is not part of the sterilizer. Responsibility as to smoke damage from a kerosene stove or heater?

Answer: There is no liability whatever on part of the fire company in the case you mention. It is what is known as a friendly fire. This is in the same category as smoke damage from a furnace or stove, where the fire is contained in the enclosure itself.

Travelers Companies Plan Increase

Special stockholders' meetings of the Travelers Indemnity and Travelers Fire have been called for June 20 to consider increases in capital. The amounts of the proposed increases will be determined by the directors and submitted at the stockholders' meeting.

The Travelers Indemnity company on Dec. 31, 1926, had \$1,500,000 capital with assets of \$15,045,998. The Travelers Fire had a capital of \$1,500,000 with assets of \$9,562,491. The Travelers owns all of the stock, excepting directors' shares, of its two subsidiaries.

Clearing Association Meets

MILWAUKEE, June 14.—The Underwriters' Clearing Association of Milwaukee, composed of many of the local insurance agencies here, held its 25th anniversary annual meeting last week, and reelected Henry Eckstein, president, and Mary L. Myers, manager. The annual report showed that considerable more business had been placed among the agencies than for many years past. An effort will be made this year to increase the membership of the association.

CHANGES IN THE FIELD

VALENTINE GOES IN FIELD

Home Office Assistant in the Underwriting Department of the Ohio Farmers is Promoted

George S. Valentine, Jr., of LeRoy, Ohio, who for some time has been assistant to D. S. Reynolds, manager of the underwriting department of the Ohio Farmers' has become special agent of the company in Ohio. He is a son of Assistant Secretary George S. Valentine, Sr., who is manager of the loss department at the head office.

Mr. Valentine is a native of Davenport, Ia., and a graduate of the Evanston, Ill., high school. He matriculated at the University of Illinois but was called into army service in 1917. He attended the first officers training camp at Ft. Sheridan, Ill., and became a second lieutenant. He was assigned to Camp Grant but later transferred to Camp Merritt, N. J., for special duty. He is promoted to a first lieutenant and

transferred to Camp Funston, Kans. After the war he was in business in Chicago, but in 1922 went to LeRoy, starting in the underwriting department.

Herbert C. Taylor

Aside from the probable appointment of another special agent there will be no change in the Virginia field staff of the Home fleet because of the recent death of State Agent Frank J. McCarthy. Herbert C. Taylor, who has been joint state agent for the allied offices, now becomes sole state agent.

Douglas M. Bryden

Douglas M. Bryden has been appointed special agent in Missouri for the Automobile of Hartford, with headquarters at 601 Pierce building, St. Louis. He will assist State Agent Louis H. Kashner. Mr. Bryden has been with the Missouri Inspection Bureau for the past five years. He is a graduate of Washington University of St. Louis in the engineering department.

VIEWED FROM NEW YORK

By GEORGE A. WATSON

PLANS FOR NEW BRUNSWICK

The Home of New York, which purchased the New Brunswick, is now getting the latter company under full sail, new officers and directors having been elected. In Western Union territory it will be necessary to revamp the plant entirely as the New Brunswick was not a Western Union company. Now it is on the Union list. It belonged to the Eastern Underwriters Association and the Southeastern Underwriters Association. On the Pacific coast the company is put in charge of Ray Decker, manager of the Home in that territory. The Home's field men will now take charge of the New Brunswick.

AGRICULTURAL'S STOCK INCREASE

The increase in the stock of the Agricultural will place that company on a very desirable basis financially and will increase its usefulness to agents. President P. H. Willmott in announcing the increase from \$1,000,000 to \$2,000,000 states that a stock dividend of \$500,000 will be declared and then a new issue of \$500,000 will be sold at three times par, making good the transfer of \$500,000 from surplus and increasing surplus by a like amount. The price at which the new shares will be offered present stockholders, the net interest yield will be 5.33 percent. Naturally, the stock purchasing rights will be valuable. The par value of the stock will be changed from \$50 to \$25. The stock of the Agricultural has been closely held, but through the present arrangement opportunity will be given agents to purchase stock. When the present financing is completed the company will have capital \$2,000,000, assets in excess of \$12,000,000, contingent reserve \$500,000 and net surplus of \$3,000,000. The Agricultural is one of the choice companies of the country and has had a most successful career.

HOTELS OVERBUILT

In their consideration of lines on hotels, and particularly on the newer properties, fire underwriters would do well to bear in mind the complaint of a leading hotel manager expressed at the recent convention of hotel owners at Atlantic City. In part the manager said: "We have only two things to sell—room and board. The storekeeper can extend to all lines; we cannot. In the old days a good hotel could be built on a basis of \$2,500 per room; now it costs from \$6,000 to \$12,000 per room. Still our

rates have not increased 30 percent. We must keep our hotels full to make money. A partly filled house means a loss of profits quickly. In view of the above facts overbuilding is easy where enough houses already exist to take care of the traffic. Fifteen years ago and preceding the war we had practically the same number of department stores that we now have in New York, but for every 10 hotels we had in the old days, we now have 150. We are overbuilt."

INCREASE NEW YORK RATES

The New York Fire Insurance Exchange has announced an increase in rates in a number of classes. The minimum and base rates for the following classifications have been changed as follows: Restaurants, from 75 cents to \$1; delicatessens, 50 cents to 75 cents; groceries 50 cents to 75 cents; fruit other than dried fruit, \$1 to 75 cents; country produce, 50 cents to 75 cents; vegetables, 50 cents to 75 cents; hardware, retail, 75 cents to \$1. Rates for fireproof buildings in course of construction were put on a more adequate basis by adopting the 15-cent rate for structures not exceeding 15 stories, with one cent additional charge for each floor above 15.

The exchange also issued a ruling on speaking or sound transmission devices in motion picture booths as follows: All policies covering contents of theater and motion picture houses must affirmatively exclude all speaking or sound transmission devices and contents of projection room or booth from item on general contents and insure them, if at all, in a separate item at a rate of \$2 added to the general contents rate of the risk."

CHANGES TO PAVONIA FIRE

The Colonial Fire of Jersey City has changed its name to the Pavonia Fire. It was organized last July with \$500,000 capital and \$800,000 surplus, but it has never started to write business. James F. Pershing, brother of Gen. J. J. Pershing, is president.

ATTENTION TO PYROXYLIN HAZARD

More and more attention is being given to the hazard of pyroxylin lacquers and spraying booths. A prominent chemical engineer recently stated that the growing use of pyroxylin lacquers calls for drastic action by insurance companies. The majority of fires origin-

TWO ORGANIZATIONS TO HOLD CONVENTION

PLANS FOR DAKOTA MEETING

Annual Gathering of the Blue Goose and State Fire Prevention Associations Next Week

The Dakota Blue Goose will hold its annual outing next Wednesday and Thursday at Blake hotel, Alexandria, Minn. The good fellowship dinner will take place June 22 when there will be a joint attendance of Dakota and Minnesota field men. The Minnesota field men will be at the Dickinson Inn. The guests of honor will be the members of the Manitoba Blue Goose who will be at another resort. There will be separate meetings of the North and South Dakota fire prevention associations the first day. There will be ample opportunity for sports. There will be a ladies bridge whist tournament. The Dakota Blue Goose will hold its annual meetings the evening of the 23rd. Following that there will be a dance. H. A. Presler of Fargo is chairman of the general arrangements committee. Charles S. Hoyt, most loyal gander of the Dakota Blue Goose will preside at its deliberations.

ating from this hazard do not occur in the manufacture of the lacquer but in the application by spraying or atomizing. This engineer stated that in his opinion no really safe spraying equipment has as yet been invented. He said that the hazard lies in that part of the lacquer spray which is shot past the object and deposited on walls and floors in the form of fine grains which have been found subject to spontaneous ignition. He believes that the only effective method of dealing with this hazard is to cut off the department in which the spraying is done from all other parts of the risk. He considers it inevitable that explosions and fires will occur even though the booths are cleaned frequently and all reasonable precautions are taken.

COMMITTEES ARE APPOINTED

President George G. Bulkley of the National Board has announced the membership of the standing committees for the coming year. The chairmen are as follows:

Actuarial bureau—E. J. Sloan, Aetna. Adjustments—Paul L. Haid, America Fore.

Construction of buildings—P. T. Kelsey, Sun.

Finance—C. W. Higley, Hanover.

Fire prevention and engineering standards—E. T. Cairns, Fireman's Fund.

Incendiarism and arson—C. V. Meserole, Pacific Fire.

Laws—Wilfred Kurth, Home of New York.

Maps—Percival Beresford, Phoenix of England.

Membership—C. W. Bailey, American of Newark.

Public relations—F. D. Layton, National of Hartford.

Standard rating schedules and forms—Ralph B. Ives, Aetna.

Statistics and origin of fires—Hart Darling, Norwich Union Fire.

Uniform accounting—Edward Milligan, Phoenix of Hartford.

ASKS BROKERS ABOUT DELAYS

Manager B. R. Mowry of the Central Bureau, charged with the prompt collection of fire insurance premiums in the metropolitan area, has addressed nearly 170 brokers, asking an explanation for their delay in meeting past due accounts.

A dividend of 3 percent has been declared by the Independence Fire of Philadelphia.

"SOUND INSURANCE FOR OVER A CENTURY"

Fire Association  of Philadelphia



Photographic copy of Perpetual
Policy No. 21 issued in 1821 and
in force for 106 years

The Reliance

Insurance Co.

Capital \$1,000,000.

Founded 1817
Capital
\$2,000,000.

Home Office
Philadelphia
Penna.

Victory

Insurance Co.

Capital \$1,000,000.-

Dept Offices:
Atlanta, Chicago, Dallas, San Francisco

Constitution Indemnity Company
Founded 1916 Capital \$1,000,000

ALL CLASSES OF FIRE AND CASUALTY INSURANCE

AS SEEN FROM CHICAGO

INSURANCE BASEBALL GAMES

In last week's games of the Insurance Base Ball League, Marsh & McLennan defeated the Hartford 6 to 0; the North America defeated the London & Lancashire 15 to 4; the Sun won over the Sanborn Map Company, 17 to 3; the Firemen's of Newark defeated James S. Kemper & Co., 11 to 10 and the Royal defeated the Springfield 6 to 2. The standing of the teams are as follows:

	W.	L.	Pct.
Insurance Co. of N. A.	5	0	1.000
Firemen's of Newark	5	0	1.000
Royal	4	0	1.000
Kemper & Co.	2	2	.500
Marsh & McLennan	2	2	.400
Sanborn Map	2	3	.400
London & Lancashire	1	3	.250
Sun	1	3	.250
Hartford	1	4	.200
Springfield	0	5	.000

LOSS COMMITTEE NAMED

A committee on loss adjustments has been appointed by the Western Union to confer with a similar committee to be named by the Western Insurance Bureau. The Union committee consists of J. M. Thomas, Aetna; chairman and Fred B. Luce, Providence-Washington; James F. Donica, First American; A. F. Powrie, Fire Association and Cecil Shallcross, North British.

The committees of the Union and Bureau will hold several meetings for

OPPORTUNITIES

This column serves as a market place where insurance wants may be made known to thousands of interested insurance men. Advertisements which are received before 9:00 A. M. Wednesday are inserted in the current issue. "Opportunities" advertisements are \$5.00 an inch for one insertion.

The National Underwriter
Chicago

WANTED

SPECIAL AGENCY OR UNDERWRITING position with a fire company. Have field, home office examining and local agency experience. Prefer Cook County Illinois or St. Louis territory. References furnished. Address B-21 Care The National Underwriter.

FOR SALE

General Insurance Agency in Dayton, Ohio, doing nice volume of fire and casualty business. Price right. Address B-14, Care The National Underwriter.

the purpose of discussing in detail the loss adjustment situation in the middle west and to decide upon improvements that might be made.

VOLBERT ASSISTANT MANAGER

Sidney W. Volbert of Chicago, Cook county special agent of the London Assurance and Manhattan Fire & Marine, has been appointed assistant manager of the Cook county department of the two companies. J. S. Goodwin is the manager. Mr. Volbert is one of the well known men in the Cook county field. He was a broker for eight years previous to going with the London Assurance as Cook county special.

DRAKE TOURING EUROPE

Lyman M. Drake of Critchell, Miller, Whitney & Barbour, Chicago and Mrs. Drake are in Europe, whence they will return about Aug. 1. They are touring Ireland, England and Scotland, central Czechoslovakia and some other continental countries.

WINS A LARGE VERDICT

V. C. Dunn, who is employed in the western department of the Springfield Fire & Marine in Chicago, last week won a verdict of \$50,000 against the Rock Island railroad for the loss of his leg. Mr. Dunn, who is 23 years old, was a passenger on a suburban train and was going from one coach to another. The platform gates were not closed and when the train lurched Mr. Dunn was thrown on the platform and suffered the injuries that resulted in the loss of his leg. The verdict is one of the largest ever given by a jury for personal injuries in Cook county.

BUGBEE WAS SPEAKER

Percy Bugbee, field engineer of the National Fire Protection Association, spoke before industrial leaders in Chicago at luncheon Monday. An effort is being made to raise \$500,000 by business men throughout the country to employ additional engineers to broaden the program of fire prevention. He described the work being done. The Chicago quota of this fund is set at \$150,000.

Dana Pierce, president of the Underwriters Laboratories and also president of the National Fire Protection Association, spoke at the luncheon. Mr. Pierce declared that fire prevention is not merely a problem for the insurance companies because it starts where insurance leaves off. If insurance companies are to handle the matter alone, he said, it will be necessary to raise rates. Insurance is a competitive business and he stated it is the most regulated business in the country. The fire prevention campaign, he said, is for enlightened self-

interest. Industry in general will profit through reduced fire insurance rates.

INSURANCE STOCK QUOTATIONS

H. W. Cornelius, of Charles Sincere & Co., Chicago investment brokers, gives the following insurance stock quotations:

Aetna Casualty & Surety...	770	785
Aetna Fire	540	550
Aetna Life	553	558
Agricultural	280	...
Alliance Assurance	53	54
American Alliance	335	345
American Automobile	50	...
American Equitable	60	...
American, N. J.	24	25
American, N. J.	52	53
American Surety	235	242
Automobile, Ct.	205	215
Bankers & Shippers	295	...
Boston	610	635
Buffalo	325	...
Camden Fire	17	18
Carolina	50	52
City of N. Y.	250	260
Columbian National Life	215	...
Commonwealth	600	...
Connecticut General Life	1500	1525
Continental Assurance, Ill.	63	...
Continental Casualty	56	...
Continental, N. Y.	168	171
Fidelity & Casualty	178	182
Fidelity & Deposit	215	219
Fidelity-Phenix	117	119
Fire Association	53	54
Firemen's, N. J.	212	220
Franklin	233	240
Glens Falls	50	52
Globe & Rutgers	1560	1600
Great American	318	322
Hanover Fire	205	210
Harmonia Fire	50	52
Hartford Fire	538	545
Hartford Steam Boiler	620	630
Home, N. Y.	408	412
Homestead	43	45
Importers & Exporters	100	103
Independence	19	22
Insurance Co. of No. Am.	59	59 1/2
Knickerbocker	30	34
Lincoln Fire, N. Y.	70	75
Lloyds Plate Glass	235	250
Maryland Casualty	110	111
Mechanics	60	...
Merchants Fire, N. Y. Com.	165	175
Merchants Fire, N. Y.	125	...
Metropolitan Casualty	84	87
Milwaukee Mechanics	37	38
National Fire, Ct.	785	800
National Liberty	430	...
National Surety	257	262
National Union Fire	250	255
New Amsterdam Casualty	67	69
New England Fire	39	42
New Jersey	41	45
New York Casualty	92	95
Niagara Fire	292	297
Northern, N. Y.	320	...
North River Fire	154	160
Pacific Fire, N. Y.	98	105
Phoenix, Ct.	600	610
Preferred Accident	430	440
Providence Washington	370	380
Reliance Casualty, N. J.	150	160
Rhode Island	270	285
Rossia	95	98
Security, N. H.	106	110
Springfield F. & M.	585	605
St. Paul Fire & Marine	128	136
Stuyvesant, N. Y.	190	200
Travelers	1210	1225
U. S. Casualty	320	340
U. S. Fidelity & Guaranty	277	282
U. S. Fire	193	198
U. S. Merchants & Shippers	270	...
Vulcan	100	...
Westchester Fire	50	51 1/2

MUTUAL HEADQUARTERS MOVE

The American Mutual Alliance, the Federation of Mutual Fire Insurance Companies, the National Association of Mutual Casualty Companies, the National Association of Automotive Mutual Insurance Companies and the "Journal of American Insurance" will, on and after June 20, be located at 180 North Michigan avenue, Chicago.

CLUB SCHEDULES GOLF MEET

The Insurance Club of Chicago will hold a golf tournament at the Glen Acres Golf Club, Chicago, on June 28. This is the first tournament the club has held. The feature prize will be a cup donated by the Great Northern hotel, in which the club's rooms are located. There also will be two low net prizes and two blind bogie prizes to shoot for. The tournament starts at 2 p. m. A dinner will be given in the club house on the greens after the tournament for those who wish to attend.

The Insurance Club's membership committee is in a drive for new members between now and July 1. As an inducement, dues have been waived to July 1, which date marks the end of the first half of the club year. Those who join the club before the golf tourna-

ment will be eligible to participate in that event.

AMERICA FORE OUTING

The annual outing and chicken dinner of the American Fore Club, composed of employees in the western department of the America Fore companies, will be held on Thursday afternoon of this week at the Edgewater Beach Hotel in Chicago. There will be games, races, swimming, tennis and golf, with prizes.

TO HAVE GOLF TOURNAMENT

The automobile superintendents of western departments in Chicago will have a golf tournament. The superintendents meet every Monday noon for luncheon at the Insurance Club quarters in the Great Northern hotel. The speaker is secured by E. G. Whitaker of the Queen. Mr. Whitaker has appointed as the golf committee R. E. Dixon, Fire Association, and Messrs. Shotwell, New York Underwriters, and Japenja, Western Automobile Underwriters' Conference.

K. M. Walker, R. B. Walker and Hepburne Stewart, formerly operating the marine department of the Underwriters Adjusting Company, Chicago, announce the opening of offices at 327 South La Salle St. that city. The firm name is K. M. Walker & Co.

The nominating committee of the Chicago Board to propose three members for the executive committee consists of J. M. Newburger, C. S. Pellet, R. I. Read, E. C. Sweetland and Allan I. Wolff.

Fred S. James & Co. of Chicago abandoned its outing set for Tuesday of this week owing to the critical illness of Fred S. James at the Highland Park hospital.

Robert Bushnell, son of A. L. Bushnell, assistant treasurer of the Millers National of Chicago, has been voted the handsomest man at Northwestern University.

TRAVELERS FIRE HAS MADE SOME PROMOTIONS

Announcement is made by the Travelers Fire of the promotion of P. G. W. Anderson of the home office as an assistant to Manager Frank W. Young of the eastern department. Mr. Anderson went to the Travelers Fire early in its organization and has been engaged in the supervision of its training school as well as supervisor of the agency field service, engaged in sales conferences with Travelers producers throughout the country.

As of July 1, W. E. Boyd, Jr., manager at Buffalo, will be advanced to the home office to succeed Mr. Anderson as supervisor of agency field service. Mr. Boyd has had many years' experience in production activities and educational work. For many years his hobby has been the direction of night classes in fire insurance in the Buffalo Y. M. C. A.

As successor to Mr. Boyd, Walter O. Roberts has been appointed manager at Buffalo. Mr. Roberts is a field man of long experience and is thoroughly familiar with western New York conditions, having supervised that field for one of the largest American companies for a number of years.

Cairns Was Winner

Manager Edward T. Cairns of the eastern department of the Fireman's Fund pitches a lucky horseshoe. That he has a horseshoe somewhere about has been surmised for some time but it took the annual outing of the eastern department of Boston at Nantasket Gardens the past week to bring out the fact that Manager Cairns is an adept at pitching horseshoes. All horseshoes were lucky ones for the manager and he won the pitching contest participated in by executives and field men. But some unkind friend produced a dark horse, after the official match was over, and the dark horse, one Thomas Milne by name, in a special challenge match not on the program, defeated Manager Cairns by a small margin.

I REPRESENT A GROUP THAT

makes a specialty of reinsuring, or will purchase the entire stock issue of automobile writing companies, whether mutual, reciprocal or stock. We continue the business and maintain the same agency force intact. All negotiations will be held strictly confidential.

Address B-17, care The National Underwriter

Wants to Establish Blue Goose Ponds in South African Cities

MILWAUKEE, June 15.—An unusually interesting communication has been received by Grand Wielder Paul E. Rudd of the Blue Goose from G. A. Leyds, branch manager for the Netherlands of Holland, at Cape Town, South Africa, in regard to forming a pond of the Blue Goose at Cape Town and perhaps in other cities in South Africa. Mr. Leyds has been in communication with both Most Loyal Grand Gander Wirt Leake and Grand Wielder Rudd and has already received considerable information about the Blue Goose and is enthusiastic about forming a local pond.

Reports on Insurance Conditions

Included in his letter is a report on insurance conditions in South Africa which is an index of the insurance business there. Cape Town is the city of the head offices for the whole of South Africa including South West Africa, Rhodesia, Mozambique, and British East Africa for a number of companies. Johannesburg is the largest city of South Africa and the largest industrial center. Head offices for South Africa of several British companies are located there. Cape Town is the head office of the Insurance Council for South Africa dealing with fire insurance, and also of the African Accident Insurance Council.

Conducts Insurance Classes

The Insurance Institute of the Cape was formed in 1899, Mr. Leyds states, and conducts classes in insurance for clerks and other officials in the insurance business. These classes are held by the Technical Institute under government auspices but the insurance section is controlled by the Cape Insurance Institute. A diploma certificate is issued for final examination which is by no means easy. At present there are some thirty candidates studying in the

course. The annual fire insurance premiums for South Africa are about \$8,000,000, and 95 percent is written by British offices. Cape Town exercises its influence and control over islands such as Mauritius and Zanzibar and controls the insurance business as far north as Katanga and Elizabethville in the Congo where there are large copper mines. The distance by rail is about 3,200 miles and it takes more than a week to travel.

Have Little State Control

Mr. Leyds said that there are efficient assessors who do the adjusting of fires and very good attorneys who deal with fire insurance law. There are no state commissioners or rating bureaus and the only control that the state exercises is that every fire insurance company must deposit \$50,000 with the government and pay an annual license of \$250. It must also render its annual figures, such as premiums, losses and expenses, to the revenue department and submit its annual balance sheet. Beyond this the state does not meddle with the fire insurance business. There are two insurance journals in South Africa devoted to insurance. They are "Insurance, Banking & Finance," and the "African Insurance Record," both published in Cape Town.

Fire brigades in South Africa are all municipally controlled and the insurance companies do not contribute to their upkeep. They are modern and well equipped and would compare well with those of small-sized towns in America and England. Sprinklers are common and most large factories and all theaters are sprinklered. The General Fire Appliances Company of America has a branch in Johannesburg.

Blake Made Life Member

BOSTON, June 15.—Edward D. Blake, for 50 years a prominent agent of Boston, was elected a life member of the Boston Board at a meeting of that body yesterday.

GENERAL AGENCY MAKES CHANGES IN COMPANIES

NEW LINEUP IS ANNOUNCED

B. Duke Crouch & Co. of Nashville Will Represent Independence Fire in Tennessee

B. Duke Crouch & Co., of Nashville, have been appointed Tennessee general agents of the Independence Fire of Philadelphia, replacing the National-Ben Franklin, the Pittsburgh Underwriters and the New Brunswick Fire. The first two named companies will henceforward operate on a direct reporting agency basis in the territory, while the representation of the New Brunswick, control of which was recently secured by the Home of New York, will be placed in Union agencies as required under the rules of the governing body.

Crouch & Co. retain the agency of the National-Ben Franklin for Nashville and will also represent the company in the state for reinsurance.

Serving Perjury Sentence

Archie Cummins, automobile salesman of Henderson, Ky., was recently convicted on a perjury charge and sentenced to one year in the penitentiary, which he has started serving, in connection with wrecking an insured automobile near Morganfield, Ky., reporting the car as stolen and collecting the insurance money.

Reorganize Old New England Agency

BOSTON, June 14.—The Eldridge & White agency of Oak Bluffs, on Martha's Vineyard, which has been in existence for many years, has been reorganized as a result of the death last November of the former president of the company, Judge Edmund G. Eldridge. Eben D. Bodfish, who operated the Duke's County

Insurance Agency at Oak Bluffs, and Philip J. Norton, who has operated an agency at Edgartown, have combined with John E. White of the old agency, and the new agency will be known as the John E. White & Co., with Mr. Norton as president and John E. White as treasurer.

Brown on Rates Committee

SAN FRANCISCO, June 14.—Kenneth Brown, superintendent of the automobile department of the Fireman's Fund, has been appointed a member of the rates committee of the Pacific Coast Automobile Underwriters Conference succeeding to the place on the committee formerly filled by H. D. Sammis, recently appointed assistant manager of the conference.

Single Interest Policy

NEW YORK, June 14.—While progress in the preparation of a single interest fire and theft policy is being made by the committee of the National Automobile Underwriters Conference having the matter in hand, it will probably be some little time yet before the final draft is

Columbus Insurance Society

COLUMBUS, O., June 15.—The Insurance Society of Columbus will hold its annual business meeting and election of officers June 22 at the Aladdin Country Club near here. In the afternoon there will be games and a picnic dinner, while in the evening there will be a musical program and a dance. Charles A. Wikoff of the Wikoff Insurance Agency is president of the society.

New England Exchange Meeting

BOSTON, June 14.—The New England Insurance Exchange, with 175 in attendance, combined its monthly June meeting with the annual outing at the Faragut house, Rye Beach, N. H. The following were elected active members at the business session: Arthur J. Duplessis, Hartford, special agent North America; R. S. Kelsey, London & Lancashire, Portland, and Thomas F. Oakes, Standard of Connecticut, Hartford. George P. Peck was elected an honorary member.

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FIRE CASUALTY

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CHARLES E. DOX, Manager
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THE NATIONAL UNDERWRITER

Formerly THE WESTERN UNDERWRITER

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Professional Advertising Man's View

THE professional advertising man in his suggestions as to how insurance can benefit by general advertising in the magazines and daily papers, often exposes his ignorance of the internal structure of insurance when he attempts to apply general advertising methods to the field of insurance. Some years ago the AETNA LIFE made a significant statement. It said that when it decided to advertise and get up helps and literature for its agents it employed general advertising men. They did not know the insurance slant. Therefore, the publicity matter lacked the texture and color of insurance. The company found that it was necessary to have its advertising men trained in insurance matters before they attempted to write about insurance or get out advertising copy.

Insurance is a peculiar institution, and while advertising principles can be universally applied they must be adapted to insurance along particular channels.

At the recent meeting of the INSURANCE ADVERTISING CONFERENCE at Hartford, ERNEST ELMO CALKINS of New York, one of the most able and brilliant advertising specialists in the country, gave an address that was replete with a number of excellent thoughts. Yet when Mr. CALKINS attempted to deal with insurance he often shot wide of the mark. He showed how vastly much more money automobile manufacturers and makers of accessories spent in advertising last year than insurance did.

Yet Mr. CALKINS did not seem to realize the fact that the automobile manufacturer and accessory man could add his advertising cost to his product and make the purchaser pay for it. The insurance company cannot do it. Its advertising cost must come out of its surplus and there is no way to get it back from the policyholders directly, as is the case in the automobile trade.

Another point that Mr. CALKINS made was that if insurance were well advertised there would be no necessity of men going out into the fields and soliciting prospects. People that wanted insurance would go to the offices and apply for it. Mr. CALKINS thus showed his ignorance of the way insurance is sold effectively. Insurance cannot be

sold by mail or through advertising. Insurance is sold by agents, at least in this country. The American agency system is an integral part of the insurance business.

People have to be persuaded to buy insurance. It is something that they instinctively do not want. A man is interested in an automobile and wants it. He needs clothes, food and many luxuries. It does not take a salesman to induce him to buy these. The insurance companies and the sellers of commodities are in two different positions. One is dealing with buyers who are seeking to buy, the other is dealing entirely with the selling end in endeavoring to persuade people to buy.

After all that is said and done it is the agents themselves who must be the great educators of the public. In spite of all general advertising, well informed agents can do much more than any other medium in acquainting the public with insurance, its functions, its aims, its possibilities.

Let us quote from a recent editorial in the "Editor & Publisher" referring to Mr. CALKINS' Hartford address:

"Another telling line was that if insurance men would advertise they might sit in their offices like nose and throat specialists and people would crowd their offices for a chance to buy. This is not only good oratory, but the soundest sort of business sense. Every advertising man in this country knows that the great uncut melon is the insurance business. Insurance can reduce its selling cost and increase its sales in unimagined proportions by heeding the advice of advertising experts who year after year vainly point the way to an immense new sort of profit."

Read that sentence and an intelligent insurance man will be convinced that the professional advertising people know very little how to deal with the insurance business unless they have made a study of insurance and can apply it in a practical way.

SALES resistance is one of the hurdles in the obstacle race for success. He who clears it in one spectacular leap has spent much time stumbling in obscurity.

A DOLLAR bill is better than a bill for a dollar.

PERSONAL SIDE OF THE BUSINESS

Charles N. Armstrong, president of the Armstrong-Roth-Cady Company of Buffalo, died last week following an extended illness. He was 69 years old. Mr. Armstrong had spent his entire business life in the insurance business, having entered his father's agency early in life. He was active in civic affairs in Buffalo and belonged to a number of clubs.

Frank J. McCarthy, state agent for the Home of New York group in Virginia, died at his home in Richmond Sunday, aged 52. He had been in failing health for several years. He joined the field forces of the Home March 4, 1904, as special agent in Virginia, becoming state agent later. Mr. McCarthy was a son of the late Capt. William H. McCarthy, for many years secretary of the Virginia Fire & Marine.

The Newark, N. J. "Call" is publishing a series of "financial personalities giving character sketches of men prominent in the financial world." Neal Bassett, president of the Firemen's, is treated by the paper in an interesting way. The "Call" says:

"Mr. Bassett inherits a liking for hard work. His father and grandfather were physicians and the latter was a noted practitioner and writer on medical topics of his time. In fact, Dr. William Osler wrote a book about him. The family are descendants of the family of Richard Bassett, of Delaware, one of the framers and signers of the constitution of the United States.

"Most of the descendants lived in the south and it was in Huntsville, Ala., Sept. 3, 1871, that Mr. Bassett was born. He was educated in private schools in the south and went to work at twenty as clerk in a local insurance company at Waco, Tex. Thus, he has been engaged in fire insurance all his business career. He spent seven years in Waco and in 1898 became a special agent for several insurance companies, with his office in New Orleans and Waco. Shortly afterward he moved to Chicago, and it was in 1891 that he was offered a special agency of the Firemen's."

Walter Faulkner, state agent for the United States Fire in Iowa, was taken ill recently at Griswold, Iowa, and is at present at a hospital in Des Moines. His illness is severe. Walter Harvey, state agent for the Fidelity Phoenix, is also in the hospital recovering from an operation and is reported convalescing nicely.

Vice-President C. A. Ludlum of the Home of New York, who is president of the Western Union, was in Chicago Monday en route from a trip to the Pacific coast. He went to St. Louis, spending Tuesday there, and then went on to New York.

Louis H. Kashner, state agent in Missouri for the Automobile of Hartford and one of the veterans in that field, was married in St. Louis June 8 to Miss Florence Brandt, daughter of Mr. and Mrs. John G. Brandt of that city. They are now on a honeymoon trip which will include New York, Hartford and other eastern points.

John W. Cook, second vice-president of F. D. Hirschberg & Co., St. Louis, Mo., will sail for Europe June 24 and will not return to St. Louis until Sept. 30. His first stop will be London, Eng. He will then visit Scotland and possibly Ireland. Next he will fly over the North Sea to Brussels, and in the following 43 days will tour Germany, Switzerland, Italy and France.

Thomas E. Gallagher of Chicago, chairman of the board of the Cook County Association of Concatenated and Conglomerated Grandfathers called a meeting of the executive board this week

to pass on the application of Peter Fauntleroy Cameron, Chicago local agent, who sought admission due to the fact that Cameron Brandt, son of his daughter, Mrs. Wilbur Brandt of Evanston, Ill., had arrived. Mr. Cameron was duly decorated with the insignia of the order and was inducted into the mysteries with the full ritualistic ceremony.

Fred S. James, head of the insurance organization of Fred S. James & Co. in Chicago and New York, is critically ill at the Highland Park Hospital, Highland Park, Ill., near Chicago. Mr. James has been in failing health for some time. He has made his home at Altadena, a suburb of Pasadena, Cal., for some years. A few months ago he went west to look after some personal affairs and stopped at the Edgewater Beach Hotel in Chicago. From there he moved to the Hotel Moraine at Highland Park. He had a relapse last Friday night and was taken to the hospital, being for the most part unconscious. Mr. James was 78 years of age last February. He is one of the veteran insurance men of the central west.

E. B. Scholtes, editor of the "Western Insurance Review," St. Louis, was married in Des Moines last week to Miss Gayl Campbell of Waterloo, Ia. Mr. Scholtes was publicity director for the Inter-State Business Men's Accident of Des Moines before his connection with the "Western Insurance Review."

John C. Taylor of Wagner-Taylor Company, Philadelphia, was congratulated by the insurance fraternity June 12 for having rounded out 40 years in the insurance business on that day. His staff celebrated the occasion by surprising Mr. Taylor with flowers in honor of his service.

E. M. Allen, vice-president of the National Surety and former president of the National Association of Insurance Agents, has been forced to cancel all his appointments for June. Therefore, he was unable to be present at the meeting of the North Carolina Association of Insurance Agents where he was to speak. His action was due to the illness of Mrs. Allen. She has been operated on at Rochester, Minn., and now seems to be on the road to recovery.

In the recent death of Wilson L. Coudon, for nearly a quarter of a century deputy insurance commissioner of Maryland, there passed one of the most kindly and companionable of state officials. While not a brilliant man, he was a clear thinker and applied commonsense principles to all of his rulings, with the result that the business of his office was conducted with a minimum of friction. As illustrating his fondness of a joke, Mr. Coudon a number of years ago announced his candidacy for the nomination for the presidency upon the Republican ticket, his home town paper giving him a front page "spread" in such connection. Politicians in all parts of the country became excited over this "dark horse" possibility, and until the humor of the proposition became apparent, Mr. Coudon's chances for success in the national convention were widely discussed. He laughed heartily over the fun he was having, declaring there was nothing like self-advertising. He was extremely modest, rarely speaking in the councils of the National Convention of Insurance Commissioners, save when invited especially to do so, but when he did speak it was always to the point and his suggestions were generally adopted.

"There are many honest and capable men who have failed in business on their own account who have been successfully serviceable to stronger men."

200,000 RISK REPORTS

Covering Milwaukee County and the state of Wisconsin

AT YOUR SERVICE

WE are especially well equipped to serve insurance companies with risk reports on life, accident, health, fidelity, burglary, automobile, fire and theft cases in Milwaukee county and in the state of Wisconsin. Over 16 years of experience in all phases of commercial and insurance investigation insures competent handling of your business.

Rates are as follows:

Risk reports on life, accident, health, fidelity, burglary, automobile, fire and theft in Milwaukee county \$75
Elsewhere (in Wisconsin or the United States) 1.00
Claim reports on accident, health or death... 3.00
Investigation made by our medical staff vary in fee . . . \$10.00 to \$50.00, depending on time and expense involved.

No contract binds our clients. We depend on good service to hold your business.

Send the next case to us.

CREDIT REPORTING CO.

1304 Fond Du Lac Avenue
MILWAUKEE, WISCONSIN

SUCCESSORS TO

National Reporting & Investigating Co.
Insurance Inspection Bureau
Milwaukee Commercial Reporting Co.
Sippel & Co.

Caledonian Insurance Co.

of Scotland

The Oldest Scottish Insurance Office

555 Asylum Street
Hartford, Conn.

Address all Mail to Lock Drawer No. 68

R. C. CHRISTOPHER
United States Manager

ROBERT R. CLARK
Asst. United States Manager

LOYAL TO PRINCIPLE—TO LOYAL AGENTS, LOYAL

NEAL BASSETT, President

A. H. HASSINGER, Vice-President and Secretary

JOHN KAY, Vice-President and Treasurer

WELLS T. BASSETT, Vice-President and Secretary

JANUARY 1ST, 1927, STATEMENTS

ORGANIZED 1855

FIREMEN'S INSURANCE COMPANY

OF NEWARK, NEW JERSEY

ASSETS
\$27,602,649.57

CAPITAL
\$5,000,000.00

LIABILITIES
\$17,796,927.66

NET SURPLUS
\$4,805,721.91

SURPLUS
POLICYHOLDERS
\$9,805,721.91

ORGANIZED 1853

THE GIRARD F. & M. INSURANCE CO.

OF PHILADELPHIA, PA.

\$5,648,862.17

\$1,000,000.00

\$2,938,563.59

\$1,710,298.58

\$2,710,298.58

ORGANIZED 1854

MECHANICS INSURANCE CO.

OF PHILADELPHIA, PA.

\$4,452,703.00

\$600,000.00

\$2,748,734.22

\$1,103,968.78

\$1,703,968.78

ORGANIZED 1866

NATIONAL-BEN FRANKLIN FIRE INS. CO.

OF PITTSBURGH, PA.

\$4,725,350.94

\$1,000,000.00

\$2,702,814.94

\$1,022,536.00

\$2,022,536.00

ORGANIZED 1871

SUPERIOR FIRE INSURANCE CO.

OF PITTSBURGH, PA.

\$4,680,981.46

\$1,000,000.00

\$2,598,996.65

\$1,001,984.81

\$2,001,984.81

ORGANIZED 1879

CONCORDIA FIRE INSURANCE CO.

OF MILWAUKEE, WIS.

\$5,261,240.09

\$1,000,000.00

\$2,942,034.49

\$1,319,205.60

\$2,319,205.60

ORGANIZED 1886

CAPITAL FIRE INSURANCE CO.

OF CONCORD, N. H.

\$724,764.95

\$300,000.00

\$733.34

\$424,031.61

\$ 724,031.61

TOTAL ASSETS
\$53,016,552.18

TOTAL LIABILITIES
\$31,728,804.89

TOTAL NET PREMIUMS
\$25,001,307.09

HOME OFFICES

PHILADELPHIA, Pa.

CONCORD, N. H.

NEWARK, NEW JERSEY
MILWAUKEE, WIS.

PITTSBURGH, PA.

DEPARTMENT OFFICES

CHICAGO, ILLINOIS

Western Department
844 Rush Street

HERBERT A. CLARK, Manager

SAN FRANCISCO, CAL.

Pacific Department
60 Sansome Street

W. W. & E. G. POTTER, Managers

LOYAL TO PRINCIPLE—TO LOYAL AGENTS, LOYAL



Progressive, well qualified agents will do well to consider The Carolina for representation in their agency.

INSURANCE THOUGHTS from *A Carolinian*

In the month of June, what coverage provides an unusually good source of premium revenue?

The answer is House Furnishings Insurance, because June is the month of brides.

Each new home that is established needs insurance protection for its valuable wedding gifts and house furnishings. But the new homes aren't the only ones. Many grooms and brides of past years have neglected to protect their houses and furnish-

ings—or if they did insure them, have not kept the valuation up-to-date.

If properly approached, most grooms can be persuaded to provide for the future happiness of their brides in an insurance way. Sell them House Furnishings Insurance this month . . . When selling them a policy in The Carolina, you provide protection in and old-line stock company, which spells safe insurance.

—The Carolinian.



NEW YORK OFFICE
59 Maiden Lane

FIRE INSURANCE NEWS BY STATES

OHIO AND WEST VIRGINIA

NEW QUARTERS ARE OPENED

Evarts-Tremaine-Flicker Company Has Made a Record in the Cleveland Local Field

The Evarts-Tremaine-Flicker Company, one of the largest agencies in Cleveland, celebrated the opening of new offices in the Union Trust building in its city. This agency was established in 1902 by the consolidation of the agencies of B. G. Tremaine & Co., and Charles O. Evarts & Co. Mr. Tremaine had been in the insurance business in Cleveland since he went there in 1885. Mr. Evarts had been previously secre-



PERRY W. FLICKER

tary and treasurer of the Producers Exchange Banking Company. He founded his agency about 1894. Perry W. Flicker, who went with Mr. Evarts in the early days and is now president, is the man who has been the big factor in developing the business. Mr. Flicker has shown his prowess as a business builder.

The new offices are located in 816 Union Trust building. The agency held open house so that its friends could see its new quarters.

APPROPRIATION IS CUT DOWN

Taxes on Insurance Companies Are Increased But Allotment for State Supervision is Reduced

The anomaly of collecting large sums in taxation from insurance companies and then failing to provide adequately for administering the state insurance department has been present in Ohio for many years but it is brought vividly to the attention of Ohio insurance men by present circumstances in that state. At the same time that the state legislature increased the insurance company taxes one-half of 1 percent to a total of 3 percent, it reduced the appropriation for the state insurance department by \$25,000 annually. This will result in a serious curtailment of operations in the department. Added to all this is the fact that the state treasury in Ohio finds itself very low in current operating funds resulting in a further crippling of department forces.

Earl A. Reid, Columbus, O., state agent of the London Assurance, is spending a week in New York on business at the company offices there.

PROGRAM FOR THE MEETING

West Virginia Association of Insurance Agents Stages a Most Interesting Series of Events

President C. A. Staats of the West Virginia Association of Insurance Agents has completed the program for the annual meeting to be held at Bluefield, June 21-22. Mr. Staats is serving his second year as president and is one of the leading agents at Huntington. One of the important features of the program this year will be a paper by C. W. Thornburg of Huntington giving a history of the West Virginia association which was formed in 1899. Mr. Thornburg has always been one of the pillars of the West Virginia organization. He attends the meetings of the National body and is one of the most substantial local agents in his state. There will be some excellent timber on the program in addition to Mr. Thornburg.

Vice-President F. P. Stanley of the Norwich Union Indemnity who made such a big hit at the West Virginia meeting last year at Morgantown will again appear. Mr. Stanley is a student of general salesmanship as well as casualty and surety lines. He always gives the agents plenty to think about. James T. Catlin, Jr., of Danville, W. Va., well known in the National association, will be present as a representative of that body. A. C. Trammel of Charleston, state agent of the America Fire group and president of the West Virginia Fire Underwriters Association, will be a speaker. At the banquet the speakers will be Insurance Commissioner Sam T. Mallison, recently appointed; Captain W. E. White, the deputy commissioner who is in immediate charge of the insurance department; E. V. King of Charleston, superintendent of the West Virginia Inspection Bureau, and C. L. Topping, state fire marshal. C. M. Cartwright of THE NATIONAL UNDERWRITER will preside as toastmaster at the banquet the evening of the first day.

The detailed program of the West Virginia meeting is as follows:

Tuesday, June 21

9:30 a. m.

Convention Called to Order—Assembly Room.

Greetings from Bluefield Local Board—E. H. Easley.

Response—A. W. Werninger.

Roll Call of Local Boards.

Annual Report—C. A. Staats, Huntington, President.

Report—C. I. Thornburg, Secretary-Treasurer.

Report of Executive Committee—A. J. Kincaid, Chairman.

Report of Grievance Committee—C. G. Hood, Chairman.

Report of Legislative Committee—C. L. Haeblerlin, Chairman.

Report of Conference Committee—R. P. DeVan, Chairman.

Report of Membership Committee—H. S. Ellis, Chairman.

Report of Fire Prevention Committee—E. F. Holbert, Chairman.

Appointment of Committees.

Tuesday, 2 p. m.

Introduction of Sam T. Mallison, Auditor and Ex-Officio Insurance Commissioner of West Virginia.

Address—"Insurance That Does Not Insure," F. P. Stanley, Vice-President Norwich Union Indemnity.

"Why a Cat Chases His Tail," A. C. Trammel, President West Virginia Fire Underwriters Association.

Wednesday, June 22

9:30 a. m.

Address—"Operating Costs," R. P. DeVan, Charleston, Chairman Grievance Committee National Association of Insurance Agents.

Address—"Agency Qualifications," Paul

H. Eastham, President Kentucky Association of Insurance Agents, Ashland, Ky. Address—Greetings from National Association of Insurance Agents, Jas. T. Catlin, Jr., Danville, Va.

Unfinished Business.

New Business.

Report of Resolutions Committee.

Report of Nominating Committee.

Election of Officers.

Banquet

Toastmaster—C. M. Cartwright, Managing Editor, The National Underwriter.

Speakers—E. V. King, Manager West Virginia Inspection Bureau; W. E. White, Deputy Insurance Commissioner; C. L. Topping, State Fire Marshal; C. W. Thornburg—The West Virginia Association of Insurance Agents, Then and Now—1899-1927; A. L. Stuart, Norwich Union Fire; Conrad Brevick, Secretary Bluefield Chamber of Commerce.

Local Board at Painesville

The Painesville Insurance Club of Painesville, O., has now organized, affiliating with the Ohio Association of Insurance Agents. R. P. Kimball is president; W. B. Pease, vice-president; V. H. Burke, Jr., secretary, and F. L. Kerr, treasurer.

OHIO FEDERATION WILL MEET

New Officers Will Be Elected at a Special Gathering to be Held Next Tuesday

A special meeting of the Insurance Federation of Ohio will be held at the Deshler Hotel in Columbus June 21, at 11:30 a. m. The Federation in Ohio has not been very active in the past two years but the organization has been kept intact and recent developments in the state have suggested the advisability of preparing for action. J. W. McCord, who was president, died April 27, and W. R. Sanders, who was first vice-president, is no longer located in the state. At the meeting in Columbus new officers will be chosen. Other officials now serving are W. E. Futch of Cleveland, second vice-president; James R. Millikan, Cincinnati, third vice-president; C. C. Corry, Springfield, fourth vice-president; J. L. Dumar, Columbus, secretary, and George L. Behrens, Columbus, treasurer.

PLANS FOR OHIO CONVENTION

Annual Meeting of the Agents Association Will be Held Next Wednesday and Thursday

Plans are all made for the annual convention of the Ohio Association of Insurance Agents to be held at the Hollenden hotel in Cleveland, next Wednesday and Thursday. There will be three business sessions, two on Wednesday and one Thursday afternoon. On Thursday the Insurance Board of Cleveland will hold its annual outing at Regnatz country place. All the members of the Ohio Association and the visitors who attend the convention will be entertained during the afternoon and at dinner Thursday evening by the Cleveland Board there being no charge for it. The get-together dinner will be held Wednesday evening at the Hollenden. E. J. Bundenthal of Dayton, president of the organization, will preside and will undoubtedly be re-elected for another year. Insurance Superintendent W. C. Safford of Columbus will give a talk. W. H. Tomlinson of Columbus, the secretary of the Ohio association, is making the arrangements for the meeting.

There will be no set speeches at any of the business sessions as they will be devoted to receiving reports of the various officers and committees. At the get-together dinner a committee of the

Cleveland Insurance Board consisting of W. E. Flickinger, Charles H. Parsons, H. L. Grider, C. W. Davis and James B. Oswald will be in charge. They will arrange an evening of entertainment to be followed by dancing. This committee is in general charge of the arrangements for the convention. The committee in charge of the out-of-town consists of J. W. Barrett, chairman; H. L. Grider, H. J. Henry, J. F. Lisy and G. C. Simpson. This committee will plan the games, sports and arrange for the dance.

Dead Timber Was Seen

A recent incident at Middleton, O., brought out the fact that companies evidently do not notify the Ohio Inspection Bureau of changes in agencies. On installing the card system there it was thought wise to deliver the cards direct to the agents and have the bureau representative explain briefly how the system worked. It was found that about 25 percent of the agents on the bureau's mailing list for that city were either dead, consolidated with some other agent or were out of the business. The bureau's entire mailing list was revised a few years ago and this remarkably high percentage of dead timber has developed since then.

Will Address Chautauquas

Fire prevention for the boys and girls is to be taken on the chautauqua platform in Ohio this summer by Gladys Williams. Between June 8 and Sept. 6, Miss Williams will address junior chautauquas in 14 towns of the state on the subject of fire safety. She has obtained information on the subject from the Ohio State Fire Prevention Association, the members of which are very much interested in her efforts.

Electrical Inspectors Organize

COLUMBUS, O., June 14—City electrical inspectors of Ohio now have a permanent organization, formed at the annual convention of the Fire Chiefs' Association of Ohio last week at Mansfield, at the suggestion of C. S. Magruder, assistant state fire marshal. Mr. Magruder today predicted the organization will result in improved electrical codes, will aid in obtaining local electrical codes and will improve electrical inspection.

Chief Thomas J. McFarland, Marion, was elected president of the Fire Chiefs' Association to succeed Chief William Remy, Mansfield.

Drop St. Mary's Speaking Program

Plans for speaking programs in the schools in St. Marys, O., June 15, in connection with the inspection conducted by the Fire Prevention Association of Ohio, had to be abandoned because of the conclusion of the school year before that time. Fifteen inspectors toured the congested district and a luncheon was given by the local chamber of commerce. Joseph P. Hirschberger, Columbus, state agent of the Royal, was chairman of the committee in charge of Boy Scouts, who assisted in the inspection.

Will Inspect Ravenna

The Ohio fire marshal's department will conduct a fire inspection in Ravenna, O., Tuesday, June 21. Five department inspectors will visit the congested area on this day. At noon C. S. Magruder, Columbus, assistant state fire marshal, will address the Kiwanis Club. In the evening he will address a meeting of chiefs of all the fire departments in Portage county.

Attention to Wiring Conditions

Much improvement in electric wiring has taken place in East Liverpool, O., recently. Within the last four months contracts for \$20,000 in electric wiring have been let in that city. These contracts are the result of special inspections made by representatives of the Ohio Inspection Bureau and by the Ohio State Fire Prevention Association. In Bellefontaine the electric wiring conditions continue very bad. Attention of city authorities was called to this condition more than two years ago, but the

Backing-Up the Agent


ALLIANCE Advertising, which has run consistently in The Saturday Evening Post for over two years, always backs up the Alliance Agent.

It backs up the Agent not merely by giving him a Company name that he can conjure with, but, *further*, by building up in the public mind a proper conception of the Alliance Agent's part in the picture.

Presenting the Alliance Agent in his rightful character of insurance counselor contributes to his prestige with the prospective policy-holder.



**THE ALLIANCE
INSURANCE COMPANY**
of PHILADELPHIA



The Voice of The People

Number Seven

The following letter and postscript from an agent tells its own tragic story. "He was not interested in Tornado insurance."

April 26, 1927

RECEIVED
MAY 1 1927
RECEIVED TO
AND


As per your instructions of recent date I am enclosing herewith Tornado Riders No. 912.

I also enclose Policy No. C. J. issued to ~~John Smith~~ for \$2000. which he brought me a day or two after the Cyclone saying he had no use for it just now as his house and barn were both blown away. His fire insurance policy was in force all right but he was not interested in Tornado insurance.

Yours &c

We have carried Fire + Lightning only on this property for several years and it was renewed the same way a few days before the Tornado

Of course such lessons should get to the public—not just to agents. We will do our part by supplying agents facsimile reprints of the above letter only free upon request.



AETNA [Fire] INSURANCE COMPANY
RALPH B. IVES, PRESIDENT

recent inspection by the Ohio State Fire Prevention Association showed that the warning given at that time had not been heeded. The electric wiring conditions in Kenton, recently inspected, were also found to be very poor. In Bellefontaine the superintendent of the electric light company is being urged to exercise his power of refusing to connect the current where wiring does not measure up to the national code.

Enters General Field

The Guaranty Liability of Dayton, which was organized to protect deferred payments by life and disability insurance, is branching out into the general line, handling automobile finance business as well as local fire and casualty business in Dayton. Within the next ten days the company will be operating a general agency for fire and casualty companies in that city.

C. N. Sparks Heads New Firm

C. Nelson Sparks, who since 1921 has been postmaster of Akron, O., has resigned to become president of the Akron Agencies, a new firm doing an insurance and bond business. The firm also is the Akron general agent of the Ocean Accident & Guarantee.

The other officers of the Akron Agencies are Fred Ormsby, vice-president; George Burgey, treasurer, and Ray Crisp, secretary.

Will Fill Vacancy Soon

Directors of the Cincinnati Equitable Fire, the oldest company in Ohio, will select a successor to President Frank L. Jones, who died last week, at their regular session July 6. Major Jones had

been president of the company for many years and died in his 90th year. He was one of the best known citizens of Cincinnati.

Winter Withdraws Membership

E. A. Winter has withdrawn his membership from the Cincinnati Fire Underwriters' Association.

Ohio Notes

A. Ray Wells of the Columbus (O.) branch of the Western Adjustment will leave June 18 on a two weeks' motor trip to Washington and New York.

Wallace Landis, for many years superintendent of the Lima branch of the Ohio Inspection Bureau, is very seriously ill with slight hope of recovery.

Fire which destroyed the oil tanks of the Rogers Oil Company at Elyria, O., a few days ago caused a loss of \$75,000. A boy playing with a toy pistol caused an explosion which resulted in the fires.

L. J. Schweer, superintendent of the Cincinnati branch of the Ohio Inspection Bureau, has returned from a several months' stay in Arizona, during which time his impaired health was greatly improved.

West Virginia Notes

Williamson, W. Va., recently completed material improvements in its water system, involving an expenditure of about \$300,000, which resulted in a change from fifth to fourth class.

A bond issue was recently carried by a large majority at Mannington, W. Va., providing \$92,000 for a complete revamping of the town's very poor water facilities, which resulted in a material increase in rates some time ago. Plans and work on the new improvements will be started at a very early date.

Frank H. Jones, manager Illinois Inspection Bureau; Earl S. Miller, manager Illinois Audit Bureau; L. P. Sanders, Automobile Superintendent National of Hartford; James P. Jana, Hanover; George A. Arens, North America; James J. Johnson, Philadelphia Underwriters; Frank M. Chandler, vice-president New York Indemnity, Chicago; Jos. Burns, United States F. & G.; J. P. Miller, superintendent of agents United States Fidelity & Guaranty; E. R. Gardner, Westchester; John E. Moschel, Travelers; Robert Hodson, Travelers, Peoria.

Decatur Agent on Hand

O. A. Sanks, local agent, Decatur, Ill.; Geo. G. Jones, L. & L. G.; F. M. Stager, Stager Insurance Agency, Sterling, Ill.; H. E. Lawler, Hummer & Wirtz, LaSalle, Ill.; A. R. Miller, Continental; Adolph Wirtz, Hummer & Wirtz, LaSalle, Ill.; A. H. Mauerma, North America; W. J. Taylor, Continental; James J. Lanue, Continental; Frank D. Henry, Continental; Homer Caldwell, Springfield F. & M.; Fred Ticknor, Springfield F. & M.; Alvin S. Keys, Alvin S. Keys & Co., Springfield; W. H. Riker, assistant manager North America; W. A. Eakin, Century Indemnity; T. C. Underwood, Continental; Frank C. McAuliff, chief Fire Insurance Patrol, Chicago; John H. Camlin, John H. Camlin Co., Rockford; Harvey T. Hill, secretary Illinois Chamber of Commerce; W. F. Jacobs, W. F. Jacobs & Co., Chicago; James M. Newburger, Newburger & Co., Chicago; A. R. Rathslag, Home of New York; H. M. Zimmer, Home of New York; L. N. Hill, assistant manager Travelers, Peoria; F. J. Kilpatrick, manager Travelers, Peoria; Ray Lennon, Lennon Bros., Joliet; George Munroe, Munroe Bros., Joliet; H. F. Espenshied, Phillips & Espenshied, Danville; John Chickering, Sun; John F. Stafford, manager Sun.

Indiana Secretary Present

E. M. Ackerman, "Insurance Field"; Oscar Gleiser, Commercial Union; W. H. Bruner, secretary Indiana Association of Insurance Agents, South Bend; George B. Sedgwick, assistant secretary Great American; Eugene McAdow, superintendent of agencies, Great American; Chas. T. Wright, Great American; Geo. T. Mielke, Commercial Union; A. C. Wallace, New Hampshire; John Rygel, superintendent of agencies, Hanover; V. L. Zimmerman, Westchester; C. J. Lingensfelder, America Fore; F. C. Cargill, Pennsylvania; Geo. A. Feindt, National Security; E. V. McKarahan, manager brokerage department, Home, Chicago; Fred C. Bertiaux, Hanover; George A. Lloyd, Moore, Case, Lyman & Hubbard, Chicago; Carl Boske, Moore, Case, Lyman & Hubbard, Chicago; Chas. W. Ohlsen, assistant manager Sun; R. J. Lathrop, manager Life Department, Travelers, Peoria; John B. Tetlow, American; H. J. Kilpatrick, auditor Travelers, Peoria.

Prominent Chicagoans on List

J. Sam Foster, Western of Fort Scott; Harry G. Casper, assistant manager Fred S. James & Co., Chicago; Henry A. Yates, assistant manager Aetna, Chicago; E. O. Wagoner, superintendent of agents, Aetna Casualty, Chicago; Clarence A. Rich, manager Underwriters Adjusting Co., Chicago; Leo E. Thiemann, Casualty Information Clearing House; L. C. Burgess, Burgess & Cline, Monticello, Ill.; O. L. Cline, Burgess & Cline, Monticello, Ill.; Allan I. Wolff, Klee, Rogers, Loeb & Wolff, Chicago; A. J. Anderson, Anderson & Robison, Kewanee, Ill.; John C. Lanphier, Jr., Lanphier & Co., Springfield, Ill.; Donald M. Woods, Childs & Wood, Chicago; John C. Leissler, Chicago "Journal of Commerce"; R. L. Dillon, district agent Northwestern Mutual Life, Kankakee; E. A. Henne, secretary Continental, Chicago; A. A. Knopp, New York Underwriters; R. I. Read, Crum & Forster, Chicago; Clifford Ireland, attorney, Peoria; W. T. Bisbee, Marsh & McLennan, Chicago; William M. Murray, R. E. James & Co., Chicago; J. J. Woodmanse, Fidelity & Deposit; John Kirchoff, Fidelity & Deposit; N. D. Pierson, Travelers, Peoria; F. L. Daily, chief adjuster Travelers, Peoria; Art Baxter, Scottish U. & N.; N. W. Gilsdorf, Chicago; Herman Coburn, Underwriters Salvage Co., Chicago; Ernest Palmer, manager Chicago Board.

Indiana Meetings Planned

INDIANAPOLIS, June 15.—The midsummer meeting of the several Indiana field men's organizations will be held at Hotel Wawasee, Lake Wawasee, June 21-22. The annual meeting of the Indiana Fire Underwriters Association and the annual meeting of the Indiana Field Club will be held the forenoon of the first day. The after-

noon will be given over to entertainment and sports. In the evening the Blue Goose dinner will take place followed by dancing and a card party.

The forenoon of the second day will be devoted to annual meetings of the Indiana Insurance Society and the Blue Goose and a meeting of the Field Men's Relief Fund Association. In the afternoon there will be a ladies' card party and sports for all. Dancing and cards will occupy the evening.

Successors to Wood Appointed

INDIANAPOLIS, June 15.—Two of the secretaryships held by Joseph G. Wood have been filled temporarily, Curtis C. Duck having agreed to act as secretary of the Indianapolis Fire Insurance Agents' Association in connection with his present duties as treasurer, and Joseph Jeffers has been appointed assistant secretary temporarily of the Indiana Association of Insurance Agents by Joseph W. Stickney, president. This appointment will probably be ratified at a meeting of the executive committee to be held on Friday of this week. The office of secretary of the Indiana Insurance Federation, which carries with it much of the responsibility for the detail work of Indiana insurance day in January, has not been filled, although there are a number of applicants.

Ban Fireworks in Detroit

DETROIT, June 15.—The Detroit city council has reaffirmed its decision to ban the sale of fireworks in this city this year and has instructed the police department to see that the ordinance which prohibits sale of fireworks except for public displays is strictly enforced.

Bortle's New Work

Fred M. Bortle of Detroit, who has been connected with the Michigan Inspection Bureau in that city and who goes with the North British & Mercantile in Detroit and Wayne county, will represent not only the parent company but all its associated companies. He is an expert insurance engineer and service man.

Indiana Notes

After July 1, William C. Lincoln, engineer of the North America group for Indiana, will move his headquarters from Chicago to Indianapolis with the state agency in the Consolidated building.

Delbert V. Blackburn, connected with the Richard Insurance Agency, Evansville, Ind., and a member of the Indiana state senate, is going to seek the Republican nomination for circuit clerk of Vanderburgh county in the primary next May.

Michigan Notes

Articles of incorporation for the Benjamin Agency of Grand Rapids, Mich., were filed with the secretary of state last week. William A. Benjamin heads the list of incorporators with Irene B. Benjamin and Harold W. Usher.

NORTHWESTERN STATES

PLAN WISCONSIN FIELD MEET

Arrangements for Annual Summer Outing to Be Held at Lake Delavan, June 21-22 Announced

MILWAUKEE, June 15.—Arrangements are practically completed for the annual summer splash of the Wisconsin Blue Goose at Delavan Lake, June 21-22. George Hannan, manager of the Wisconsin Audit Bureau, is general chairman, assisted by Roy Nicholson and Peter Lewis.

The annual meetings of the Wisconsin Fire Underwriters' Association, Wisconsin Insurance club and Wisconsin State Fire Prevention Association are to be held at the same time. The Wisconsin Insurance Club is to hold over June 23 while the other meetings and social functions will be concluded the evening of June 22.

The program for the Blue Goose opens Tuesday morning with business meetings both morning and afternoon. In the afternoon the preliminary games will be run off. An initiation is scheduled for the first night, under the direction of Charles Hutchinson. The an-

CENTRAL WESTERN STATES

TAPPER HEADS ILLINOIS POND

New Officers Elected at Annual Meeting—Gains in Membership and Finances Shown

R. W. Tapper, Illinois state agent of the Rhode Island group, was elected most loyal gander of the Illinois Blue Goose at the annual meeting in Chicago on Monday. Mr. Tapper had served for one year as supervisor of the flock. I. C. Faber of the Fire Association was appointed to succeed Mr. Tapper as supervisor. W. B. Rearden of the Camden was made custodian. Lee Lewand of the Western Adjustment was appointed guardian, and A. J. Meyer was named keeper of the golden goose egg in succession to James E. Guy of the America Fore companies. P. J. V. McKian of the Western Actuarial Bureau was, of course, elected welder to succeed himself.

Grand Nest Delegates Named

Past Most Loyal Gander C. J. Lingensfelder was elected a delegate to the grand nest meeting in Dallas next fall, the other delegate named being A. J. Meyer of the Automobile. Mr. Lingensfelder presided at the meeting. J. A. Benz, supervisor of agents of the Sun, was elected a member, as was W. R. Purtell, manager of the Sun's automobile department. Seven members who were previously elected were initiated. The Illinois pond increased its membership during the year by ten and now has a total of 473. It was decided to increase the pond's \$100 Liberty Bond to \$500, as the treasury is in good shape. H. W. Chesley of the Western Union invited the Blue Goose members to make their Chicago headquarters in the new Insurance Club rooms in the Great Northern Hotel.

Agency Golf Tournaments

Local agencies in Illinois these days are keeping field men on the go attending golf tournaments. On Thursday of this week the Greiser Insurance Agency of Savannah, Ill., will entertain at the country club. On Tuesday Jean Pope of Moline held his annual field day. On June 23, Hummer & Wertz of La Salle, will give a golf tournament.

MOISANT FIELD DAY SUCCESS

Big Turn-out of Golfers and Aspirants for High Honors on the Kankakee Links

The field day last week given by Shirley E. Moisant at Kankakee, Ill., was the most successful of the annual events that has been arranged. There were 90 at the banquet and 64 played golf. The winners in the golf contest were blind bogey, Charles Rathslag, Home of New York; low gross, score 88, A. J. Anderson, local agent, Kewanee; runner up on low gross, 89, Rollin I. Reid, Chicago,



SHIRLEY E. MOISANT

Crum & Forster; greatest number of par holes, 7, tied by A. J. Anderson and F. S. Kilpatrick, manager Travelers at Peoria. Booby prize was won by John C. Leissler, insurance editor, Chicago "Journal of Commerce."

Names of Those Present

Those present were: Pierre Jackson, Home, New York; C. W. Good, London & Lancashire; W. J. Patterson, Ocean Accident; Spencer Welton, president New York Indemnity;

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RESERVES 6,579,937.74
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JOHN F. STAFFORD, *Manager*

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C. A. HENRY, *General Manager*

nual election of officers will also be held. The ladies will have a card tournament that evening. Mrs. C. L. Easton is chairman.

A third business meeting is down for Wednesday morning and more games will be played. The afternoon will be devoted to recreation and at 4 o'clock the annual baseball game will be played. Fred Weineck and William W. Jost are the captains of the rival teams. Prizes will be awarded after the baseball game. Mr. and Mrs. Thomas Larkins have charge of the dinner dance Wednesday evening and Roy Nicholson is to arrange the program.

Chairmen for other events include: T. L. McQueen, golf tournament; Ed Quinn, clock golf; Robert J. McIntyre, archery; Tom Hagan and Cornell Anderson, captains for the mixed tug of war; G. L. Strasen and Fred Weineck, relay race; Henry Busack, passing ball over head.

MUTUALS HOLD CONVENTION

Northwestern Association Conducts Two-Day Annual Meeting in Minneapolis for Officials of Companies

MINNEAPOLIS, June 15.—D. W. Clark of Valley City, N. D., was elected president of the Northwestern Association of Mutual Insurance Companies at the two-day convention held in Minneapolis last Thursday and Friday. Participating in the sessions were 100 company officials, department managers and field men representing 40 companies from Minnesota, Iowa, Wisconsin and North and South Dakota. Other officers elected were J. L. Coon, Cedar Rapids, Iowa, vice-president; O. M. Thurber, Owatonna, Minn., secretary, and Miss A. J. Dahlstrom, Minneapolis, treasurer. The new directors are L. M. Thurber, Chatfield, Minn.; F. H. Wilder, Fargo, N. D.; D. O. Milligin, Des Moines; George Janssen, Maysville, Wis., and Roy Nugen, Sioux Falls, S. D.

Conducted Question Boxes

Speakers at the convention included John H. DeWild, editor "Northwest Commercial Bulletin," Minneapolis, on "Insurance Education"; Dr. Stanley L. Krebs, Fairland, Ind., on "The Three Laws of Management"; Arthur E. Strudwick, chief inspector of the general inspection bureau, on "Rating Problems"; Donald A. Tripp, Belvidere, Ill., on "The Mutual Reinsurance Bureau"; and H. P. Janisch, Chicago, general manager American Mutual Alliance, on "What One Insurance Company Owes to the Other." Question boxes were conducted by Hjalmar L. Hjermstad, Red Wing, Minn.; George A. Jacobs, Janesville, Wis., and Miss A. J. Dahlstrom, Minneapolis.

Arthur E. Strudwick, chief inspector of the General Inspection Bureau, Minneapolis, in speaking of rating problems, gave a review for the history of fire insurance and emphasized the fact that schedule rating is so essential a part of the business of fire insurance that its progress and that of insurance have been inseparable.

"The task of constructing a satisfactory and enduring schedule has perplexed the best minds in the fire underwriting world since the inception of the business," he said, "and until the advent of our present system the results achieved have not been such as to command themselves to the purveyors of fire indemnity. Our present system, while undoubtedly the best to date, is not yet 'sufficiently refined' that business cannot thrive on its weakness."

Good Fellowship Dinner Arranged

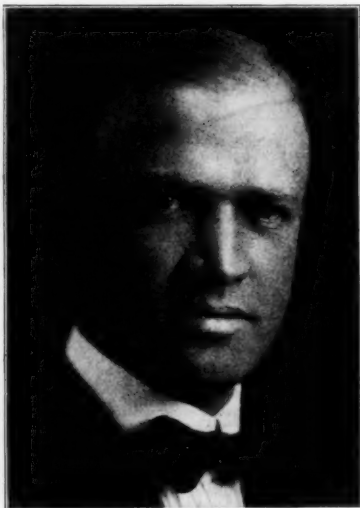
Final arrangements have been made for the International Good Fellowship dinner to be staged in conjunction with the annual meeting of the Minnesota pond of the Blue Goose at Alexandria, Minn., June 22-23. The Manitoba and Dakota ponds will be the guests of the Minnesota pond. The arrangements for the dinner are under the direction of

Robert J. Jordan, Minnesota state agent of the Great American, who will preside as toastmaster.

FIELD CLUB REELECTS LAW

London Assurance State Agent Again Heads Minnesota Fire Underwriters—Street Is Speaker

MINNEAPOLIS, June 15.—Louis L. Law, London Assurance, was reelected president of the Minnesota Fire Underwriters' Association at the annual meeting Monday. R. W. Schimmel, Fire Association, was reelected vice-president, and C. A. Merritt, Connecticut, treasurer. Walter Abers, Queen, and George Roberts, Detroit Fire & Marine, were elected for two-year terms and William Unger, Royal, for the one-year term on the executive committee. The two hold-over members of the committee are J.



LOUIS L. LAW

A. Weeks, Home, and Morris W. White, Glens Falls.

Following the annual address of the president and the reports of the secretary and treasurer, four new members were admitted; these being A. S. Reed, Great American; L. R. Swanson, L. & L. G.; G. M. Theurer, Continental, and H. E. Kalgren, Alliance.

Charles R. Street, vice-president of the Great American in Chicago, who gave the principal address, stressed the importance of eradicating losses on adjustments. The overpayment of losses due to the pressure of agents and the influence of personal contact factors was deplored by Mr. Street. He declared that the remedy lay in placing the losses beyond these personal influences and into the hands of competent adjusters. He suggested the establishment of a central bureau of adjusters, which would operate as a clearing house for the assignment of losses to competent adjusters.

Defer Federation Meeting

MILWAUKEE, June 14.—The executive committee of the Insurance Federation of Wisconsin has announced that the adjourned annual meeting of the federation, usually held in June, will be held this year on the same day with Insurance Day. No date has been set for the second annual Insurance Day, but one will be selected in a short time. It will be early in the fall.

North Dakota Inspections

A group of 18 members of the North Dakota Fire Prevention Association conducted an inspection at New Rockford recently, reporting 71 defects out of 78 inspections and making 336 recommendations. Wiring and careless house-keeping of business establishments contributed most of the defects found. The inspection was sponsored by the Kiwanis Club. A banquet was tendered the visitors and approximately 100 townspeople, including city council and fire department members, were present.

An inspection was also made at Car-

lington, N. D., 63 inspections being made, 61 reported defective and 293 recommendations made. As at New Rockford, in wiring and condition of business houses were the main defects found. Inspection was sponsored by the Kiwanis Club. A noonday lunch was served with more than 100 townspeople attending.

Farewell Luncheon for Olds

MILWAUKEE, June 14.—Arthur Olds, well known field man in Wisconsin, who is to go to Minnesota for the National Union, was guest of honor at a luncheon given by the Wisconsin Blue Goose Saturday. He has been in Wisconsin for the Westchester and recently took over his new position. The ganders presented him with a white gold knife and chain. Several short talks were made, complimentary to Mr. Olds and expressing the sorrow of the Wisconsin pond in seeing him leave.

Presentation to Daniel

MILWAUKEE, June 14.—Frank R. Daniel, chief engineer of the Wisconsin Inspection Bureau, and chairman of the fire prevention committee of the Milwaukee Association of Commerce, whose efforts contributed to Milwaukee's winning first place in the National Fire Waste Contest for 1926, was presented with a traveling bag by members of the committee. The presentation was made by Walter S. Smith, director of the safety division of the Association of Commerce, on behalf of the members for Mr. Daniel's successful leadership during the past year.

Forbid Storing of Fireworks

DULUTH, MINN., June 14.—The storing of fireworks in warehouses in Duluth has been forbidden by the state fire warden as dangerous. Duluth has an ordinance forbidding the sale and discharge of fireworks within its borders on national or other holidays. A city merchant received a carload of fireworks and stored them in his warehouse. Police officials were notified of the incident and were informed on inquiry at the fire warden's office that fireworks could not be kept without a permit, especially when received in a municipality where their sale is not permitted. Arrangements were made to dispose of the fireworks to retailers operating outside of the city limits.

Address Volunteer Firemen

BARABOO, WIS., June 14.—Roy Nicholson, state agent Michigan Fire & Marine, and Frank Daniel, chief engineer for the Wisconsin Inspection Bureau, were given an enthusiastic reception at the annual convention of the volunteer firemen of the Wisconsin State Volunteer Firemen's Association here. Mr. Nicholson talked on fire prevention work and advised the volunteers just what they could do to aid in the campaign to reduce fires throughout the state. Mr. Daniel talked on fire drills and encouraged the members to attend some of the sessions of the Milwaukee fire department drill school. He also discussed the standardization of hose couplings and the hazards of pyroloxin painting in garages.

Motion pictures were taken by the Strand theater of Madison, Wis., which is preparing to build a fire prevention film based around the volunteers' association. It will be concluded with illustrations of common fire hazards.

Review Fire Department Increase

MINNEAPOLIS, June 14.—The Minneapolis board of estimate and taxation has instructed A. C. Godward, engineer, to make a survey of the fire department for the purpose of determining the necessity of adding 77 men to the department as proposed by the city council. The aldermen recently voted to include an item of \$140,000 in next year's budget for the additional personnel. The council was prompted in its action by the threat of increased fire insurance rates unless the personnel was increased. Following the council action the insurance interests have agreed to hold in abeyance the proposed increase pending further action by the tax board. Mr. Godward said the report would be ready in September.

Adopt New Annealing Method

MILWAUKEE, June 14.—A new method will be resorted to in its annealing department by the Cutler Hammer Company of Milwaukee following the fire recently in which 16 employees of the company and city firemen were

burned. An investigation of the fire showed that the dip tanks and ovens were too close together in the same room and that the fumes from the dip tanks reached the ovens and the explosion occurred.

There was a mixture of creosote thinned with naphtha in the tanks which were 12 feet below the floor level and around which were steam coils to keep the solution hot. The oven was just across the room. Fumes from the dip tank went along the floor to the ovens, caught fire and then flashed back to the tanks. It was impossible to fight the fire with water because the flames would shoot back.

Minnesota Mutuals Elect

MINNEAPOLIS, June 14.—T. G. McCracken, Minneapolis, was elected president of the Minnesota Association of Mutual Insurance Companies at the annual meeting here. L. M. Thurber, Chatfield, was named vice-president; O. M. Thurber, Owatonna, secretary-treasurer. In addition to the president and secretary, the board of directors will include E. H. Moreland, Luverne; C. J. Buxton, Owatonna, and Hjalmer Hjermstad, Red Wing. The meeting was held in conjunction with the convention of the Northwestern Association of Mutual Insurance Companies.

Chief Ringer Sustained

MINNEAPOLIS, June 14.—Chief Charles W. Ringer of the Minneapolis fire department was sustained by the fire committee of the city council following an effort by one of the aldermen to suspend him. Appearing before the committee the chief reiterated his charges that political interference with the conduct of his department had been responsible for the death of two firemen, who were fatally hurt in a fire truck crash May 16.

Wisconsin Notes

Laurence M. Andrews, 53, associated with the George H. Russell agency of Milwaukee for the past ten years, died at his home there Sunday.

Francis D. Leonhard has become special agent of the Mayville Mutual Fire of Mayville, Wis. He has had considerable insurance experience.

J. A. Fleckenstein, vice-president and secretary of the American Founders of Milwaukee, has been appointed general agent for the Constitution Indemnity.

Mrs. Roca Dunn has been elected to membership in the Milwaukee Board. She is the widow of the late W. A. Dunn, who operated a local agency there under the firm name of W. A. Dunn Co. Mrs. Dunn will continue the agency.

Minnesota Notes

A. J. Hasson, president of the Nebraska Indemnity of Omaha, is visiting agents in Minnesota.

Mr. and Mrs. G. W. Massy of the G. W. Massy agency, Little Falls, Minn., will sail from New York on the "Paris" June 25 for a three months' visit with relatives in England and Ireland.

William M. Higley, former Minnesota state agent for the Hanover, arrived in Minneapolis from Babson Park, Fla., for an extended visit with his colleagues. Mr. Higley plans to attend the annual summer outing of the Blue Goose at Alexandria June 22-23.

Fire of unknown origin destroyed the Monarch elevator at Leonard, N. D., and about 2,000 bushels of grain stored in it. Damage is estimated at approximately \$20,000. The walls of the building crashed to the ground, scattering burning shingles and bits of wood over the town, setting a number of small blazes.

Officials Sail for England

NEW YORK, June 15.—K. K. Peters, assistant manager of the Northern of London, and F. B. Cooke, general manager of the London & Scottish, who have been here for several weeks studying underwriting conditions in the United States and Canada, sailed for home on the Homeric Friday.

Stevens on Swing Around Country

SAN FRANCISCO, June 14.—Jay W. Stevens, chief of the fire prevention bureau of the National Board, left San Francisco Saturday for a swing around the country on a fire prevention campaign. Mr. Stevens will address meetings of fire chiefs in Texas, Michigan, Massachusetts and Kentucky. He will also visit New York to attend a conference of the officers of the International Association of Fire Chiefs, of which organization he is executive secretary.

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NET SURPLUS

17,628,138.96

ASSETS

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SURPLUS FOR THE PROTECTION OF POLICY HOLDERS

\$30,128,138.96

LOSSES PAID POLICY HOLDERS

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GEO. K. MARCH, President and Gen. Mgr.

WYNN C. GEROW, Secretary

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IN THE MISSOURI VALLEY

FIRE PREVENTIONISTS ELECT

George Holbrook of the North America Made President of Iowa Association for Coming Year

At the annual meeting of the Iowa Fire Prevention Association George Holbrook, North America, was elected president, succeeding Will H. Harrison. Other new officers are: Vice-president, Ralph Vincent, Continental; Secretary, J. H. Buntin, Fire Association. Richard E. Vernor of Chicago was the principal speaker, followed by Fire Marshal J. A. Tracy, C. D. Wadsworth, E. Sterling Freeman, O. J. Davis and other field men. A new constitution and by-laws were adopted, the association previously having operated without them.

Secretary C. W. Borrett, in his report stated that this year 11,412 school children and 2,187 adults had been addressed by representatives of the speakers bureau. In the four towns in which inspections had been conducted—Newton, Keokuk, Belmond and Council Bluffs—1,288 mercantile and public properties had been inspected; 1,161 found to contain defects, and 5,675 recommendations made. Of the number of recommendations made, he said that about 78 per cent had been complied with by the property owners.

J. A. Tracy of the Iowa state bureau of investigation declared that "inspection" was the best means of cutting down fire losses. He stated that 136 Iowa towns have passed chimney ordinances in the interest of curtailing those fires which are caused by chimney, electric wires, and shingle roofs—the three major causes of urban fires. R. E. Vernor of Chicago, manager of the fire prevention department of the Western Actuarial Bureau, spoke on the work of that organization.

All of the officers of the Iowa Fire Underwriters Association were reelected as follows: A. M. Upham, president; C. D. Wadsworth, vice-president; C. W. Borrett, secretary-treasurer, all of Des Moines. A. J. Davis, Frank Phillips and A. H. Alexander were elected to the executive committee.

IOWA FIELD MEN'S OUTING

Plan Enjoyable Program for Annual Frolic to be Held at Lake Okoboji, July 14-15

The Iowa field men will hold their outing at Lake Okoboji, Ia., July 14-15 with headquarters at the Manhattan Beach hotel. The program for the first morning will commence with greetings on the hotel veranda followed by a band concert and later a ball game. After luncheon there will be an open forum conducted by R. P. Osier. At the same time bridge will be provided for ladies attending the outing. Later in the afternoon there will be water sports and in the evening cards and dancing will be provided.

The second day will open with a fishermen's breakfast and fishermen's contest. This will be followed by sports for ladies and children. In the afternoon field sports will take place with Fred Drake as general chairman. These include archery, clock golf for ladies and men, rifle shoot, quoits and darts for ladies. A fish dinner will be served in the evening and prizes awarded at that time. The evening program calls for a camp fire and song fest.

Blue Goose Welcomes Newman

DES MOINES, June 14—At the Blue Goose luncheon Monday, "Uncle" George Newman received greetings from the membership upon his return from an extensive visit in Florida. He made a brief address and expressed delight in again being among his friends.

ASSOCIATION REORGANIZED

St. Louis Fire Underwriters Body Votes on Important Amendments to Constitution and By-Laws

ST. LOUIS, June 15.—At a special meeting of the entire membership on June 22, the Fire Underwriters Association of St. Louis will vote on a number of amendments to the organization's constitution and by-laws which if adopted will practically reorganize the body. The proposed changes have already been unanimously approved by the association's executive committee and the members of the committee have recommended that the organization as a whole vote in favor of the amendments. The principal purpose of the amendments is to make the organization more democratic and to remove some of the objections to its methods of operation raised by many of the smaller agents of the city, especially those in the outlying sections.

One fundamental change is to extend the full voting privilege to all class 1 agents, so that when the changes are adopted there will be about 90 class 1 votes instead of but 38 as at present. Another very important departure is that in the future there will always be four class 2 agents on the executive committee, and the class 2 agents of the city will select their own members of this important committee. If this amendment is adopted the executive committee will be composed of the four executive officers of the organization, four class 1 and four class 2 agents.

Redeem Existing Certificates

In the plan for reorganization it is also proposed that all of the existing certificates of membership shall be redeemed on the basis of original price paid, but in no event shall a member receive less than \$50 for his certificate. Some will receive \$100. All of the present members of the body will have the privilege of obtaining new membership certificates for a payment of but \$25 but all future members will be compelled to pay not less than \$100 for class 2 and 3 and from \$250 upwards for class 1 agents. Persons who were in membership at any time since Dec. 31, 1924, but who have since left the association, can now return for the payment of the \$25 fee. This condition regarding former members will prevail for 90 days following the adoption of the amendments. No refund value will be attached to the new \$25 fee to be paid.

The proposed amendments provide for the following scale of dues: Class 1, \$25 per capita; classes 2 and 3, \$15 whether membership be individual, firm or corporation; solicitors, \$15.

Iowa America Fore Club

All of the 14 Iowa field men for the America Fore companies met in Des Moines with Secretary J. F. Donica of Chicago, and formed the Iowa America Fore Club, which will meet monthly in various Iowa towns. Ralph G. Vincent, Continental state agent, was elected president; Charles Hook, special agent First American, vice-president, and Charles Cook, Fidelity-Phenix, secretary-treasurer. The executive committee includes Sam Mak, First American, A. L. Lucas, staff adjuster, and J. W. Hull, state agent American Eagle.

More Money for Department

Through the efforts of the insurance men of Nebraska an increase of \$10,500 for the biennium was secured from the legislature for salaries for the insurance bureau. Governor McMullen has announced that he will increase the salary of Commissioner Dumont from \$3,000 a year to \$4,000, beginning July 1. The governor and the insurance men

of Nebraska realize that this is still an inadequate salary for a man of Mr. Dumont's experience, courage and ability, but it was the best that they could secure. Mr. Dumont was drafted for the position two years ago, and at a considerable personal sacrifice accepted it in the belief that the importance of the position and of the industry called for some experienced man to assume charge of the department.

Settle Fonda School Loss

A satisfactory agreement of insurance settlement was reached at Fonda, Ia., last week between the local school board and representatives of the companies carrying the insurance on the school building destroyed by fire last January.

The board had refused settlement of the claims on a 30 percent depreciation basis, as offered by the companies, and held out for further adjustment. Settlement on a 12½ percent depreciation basis by the representatives of the companies is practically an acceptance of what the board regarded as an equitable settlement and calls for payment of \$75,500 by the companies.

Kansas City Losses Decreased

KANSAS CITY, MO., June 14—The May fire report for Kansas City shows a marked improvement in fire loss figures for the month and for the first five months of this year, as compared with the same periods in 1926. The loss for May, 1927, was \$89,478, against \$134,953 in May, 1926. The estimated loss for the first five months of 1926 was \$840,786, as compared with \$736,400 for the first five months of this year. The first five months of 1925, Kansas City had a fire loss of \$2,037,725. This included \$700,000, which represented the loss in the American Royal building, when the automobile show was in progress, yet deducting this large loss, the figure was well over one million.

Sioux City Gets Better Rating

Announcement has been made that Sioux City, Ia., has been raised to class 4, as a result of the recent survey of the National Board engineers. The Iowa Insurance Service Bureau has a force rating the city under the new classification. The rating books will be dispensed with and the rates kept on cards in locked cabinets.

Sioux City Losses Heavy

SIOUX CITY, IA., June 14—The fire loss in Sioux City for May, \$81,964, was the largest since a year ago last January, according to the monthly report of Fire Chief Kellogg. The insurance

loss was \$80,964, leaving an uninsured loss of only \$1,000, Chief Kellogg said. This small difference is a new record in itself.

Loss to buildings was estimated at \$44,657 and to contents and stock \$37,244. Insurance on buildings was \$44,086 and on contents \$36,878.

The largest loss for the month was caused by the destruction of the Lerch and Lyon block at Fifth and Pearl streets with damage estimated at \$45,000.

Push Hail Insurance in Iowa

DES MOINES, June 14—A number of severe hail and wind storms in recent weeks has stimulated field men and local agents in Iowa to action. Even though crops are not far advanced much damage has resulted. The early spring was devoid of severe storms, but upon the approach of the summer months conditions changed. After various sections of the state had been visited by severe hail storms agents found it an easy matter to interest farmers in their crops.

Fewer Incendiary Fires in Nebraska

LINCOLN, NEB., June 14—L. J. Butcher, in charge of the investigation department of the state fire marshal's office, says the fewest incendiary fires in several years have marked the history of the department for the first half of the year. It has been several weeks since any suspicious fire has been reported.

Missouri Notes

Residents of Overland, Mo., plan to incorporate so that the town may obtain modern fire protection.

W. F. Martin, vice-president of F. D. Hirschberg & Co., leaves St. Louis June 22 for a six weeks visit in California.

St. Clair, Mo., has under consideration the construction of a water works and distribution system, including adequate fire protection.

Fire June 10 caused \$32,000 loss in the building of the California Produce Company at 403-5 Walnut street, Kansas City. The loss to the building amounted to \$20,000 and to contents \$12,000. The insurance on the building was only \$6,000, while the contents were insured for \$16,500.

A firebug is suspected of being responsible for fires which destroyed five buildings in Joplin, Mo., the past month. The total loss was \$150,000. The most recent of the serious of suspicious fires was on June 9, when a garage and warehouse of the Southwestern Bell Telephone Company was destroyed. The loss from this blaze was \$55,000.

H. A. Proclise is in Sioux City from Sioux Falls to assist W. C. Topping, manager of the Underwriters Adjustment Company, in the handling of numerous recent fire and automobile losses in that territory.

STATES OF THE SOUTHWEST

ALLEGED VALUE OF PROPERTY

Failure to Do So in Proof of Loss Prevented Recovery on Part of Insured

In Aetna vs. Hughes, supreme court of Oklahoma, 249 Pacific 908, an action was brought to recover on a fire policy for the destruction of a building and grain and seeds therein. The insured failed to allege the value of the property destroyed in his complaint. The trial of the cause resulted in a judgment in favor of the insured. The insurance company prosecuted an appeal to the higher court. Here the court in reviewing the record and in reversing the judgment, said:

"The petition does not allege the value of the barn and sheds at the time of the loss, nor that the grain and seeds were in the dwelling, granary, barns, or cribs at the time of the fire. These are necessary allegations to constitute a cause of action.

"If the cause is to be tried again, the plaintiff should be permitted to amend his petition. For the reasons stated, the judgment is reversed, with directions to grant the defendant a new trial."

Local Board at Malvern, Ark.

Local agents at Malvern, Ark., have

effected organization of the Insurance Association of Malvern. J. Elmo Young was elected president. R. H. Goodman, vice-president, and Miss Hattie A. Dever, secretary-treasurer. Monthly meetings will be held.

Hold Annual Sales Conference

DALLAS, June 14—With 100 representatives of the Employers Casualty and Texas Employers Association gathered from Texas, Oklahoma, Louisiana, Arkansas and Missouri, the annual sales conference of these organizations was held here Thursday. Homer R. Mitchell, president and general manager of both organizations, made the annual address. A number of addresses were made on the various fire and casualty lines written by the companies. The session was closed with a round table discussion in which many participated. The companies write liability, compensation, fire, hail, tornado, plate glass, fidelity bonds and automobile insurance.

Death of W. H. LeFevre

W. H. LeFevre, special agent for south Texas for the National Union Fire, died last week at San Antonio. For several months he had been confined to a sanitarium, but his eventual recovery had been expected. He was buried at Hillsboro. Among the numerous insurance men from Dallas who went down for the services were L. O. Clay, state agent National Union; Wirt Leake, North British; L. B. Hughes, United States Fire, and Faison Hines, associate manager of



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Hines Brothers, Atlanta. His brother, Lester LeFevre, is state agent in Louisiana for the Crum & Forster group.

Texarkana Insurance Exchange

Texarkana, Tex., has organized its first Insurance Exchange, with five initial members. Andrew Rose was elected president; Leslie Anderson, vice-president, and E. W. Mullins, secretary-treasurer.

Lemly Independent Adjuster

W. S. Lemly, special agent of the National Board and formerly arson inspector for Texas, has severed his connection and will open adjustment offices in Dallas, serving the companies as an independent adjuster. Mr. Lemly's work with the National Board has equipped him to do some valuable work in adjusting questionable losses of all kinds.

Foreman San Antonio Manager

The Texas Adjustment Company announces the appointment of W. L. Foreman as manager of the San Antonio, Tex., branch office, with Newt Walraven as assistant. Mr. Foreman's long and wide experience has demonstrated his ability in adjusting losses of all classes.

Holmes to Guatemala

F. E. Holmes, secretary of the Southwestern Adjustment Company, and manager of the Dallas office, left Friday for New York and will proceed to Guatemala City, Guatemala, to adjust some important losses in that country.

Fort Worth Exchange Committees

FORT WORTH, TEX., June 14—W. E. Bideker, president of the Fort Worth Insurance Underwriters Exchange, has announced his committees for the year, the chairmen being as follows: Executive, T. S. Gillis; special advisory, H. A. Lawrence; grievance, Harry Brants; membership, W. P. Carey; fire prevention, Frank Roberts.

Realizing insurance men are in position to render great service to the city and nation in the matter of fire prevention, Mr. Bideker hopes to accomplish much along that line the coming year.

Increase Commission Salaries

AUSTIN, TEX., June 14—The special session of the Texas legislature raised the salaries of the state board of insurance commissioners to \$5,000 a year. This board, created by the regular session, comes into existence June 15 under the new law and is the merging of the functions of the insurance department and the fire insurance commission. At present the commissioner of insurance receives \$4,500 annually and the two appointive members of the commission receive \$3,600 each.

More Arson Investigators

AUSTIN, TEX., June 14—Incendiary fires have increased to such extent in Texas that the state fire insurance commission is adding two more inspectors to their present staff of six to investigate arson cases.

Drill Tower for Firemen

DALLAS, June 14—In line with the determination to make Dallas fire department second to none in fire fighting knowledge and ability, Fire Commissioner C. S. Parker announces the early construction of a concrete-steel fire training tower in the State Fair grounds about 15 blocks from the business section of the city. Drill work will be carried on in connection with the enforced attendance of several of the Dallas fire force at New York schools of instruction.

Enters Local Agency Field

Jay Russell Smith, formerly special agent in the Dallas branch office for the accident and liability department of the Aetna Life, Aetna Casualty & Surety and Automobile of Hartford, has resigned to enter the local agency business. He is opening an office at 1027 Kirby building, Dallas.

Texas Notes

E. E. Cole, Jr., vice-president of the National Union Fire of Pittsburgh, will be in Texas soon to visit the agents and field force.
 Fred Gibbons, special agent in Texas for the State of Pennsylvania, was married June 15 to Frances Friend of St. Louis. They will leave immediately for

Chicago, New York and Philadelphia before returning to make their home in Dallas.

J. R. Farabee, who for some time has been district manager in the Texas field for the Security Union of Houston, has opened a general insurance agency at 817 Hamilton building, Wichita Falls, Tex. Previous to opening his agency, Mr. Farabee had about nine years' experience in the casualty field.

The Athens, Tex., pottery, oldest manufacturing plant in the city, was badly damaged by fire Thursday night when the main building, offices and pottery de-

partment were practically destroyed, with damages of \$20,000. The rest of the buildings were saved. Fire originated in a pile of hay used for packing purposes and is believed to be of incendiary origin. One arrest has been made.

An early morning four-hour blaze Saturday at Oklahoma City wrecked the yard and offices of the Chickasaw Lumber Company and damaged the Smith Baking Company's plant. The lumber company's losses are estimated to be \$75,000, and those of the baking company at \$20,000.

of this booklet will be sent upon request to Aubrey L. Owen, secretary-treasurer, 1015 East Main street, Richmond, Va.

Meet at Owensboro

The Kentucky Fire Chiefs Association will hold its annual state convention at Owensboro, June 21-23. J. D. Russell, president of the Owensboro Chamber of Commerce, has invited the field men to attend the meeting. Owensboro recently won the United States Chamber of Commerce award in the Inter-Chamber Fire Waste Contest for 1926. Fire Chief Cureton of Owensboro is rated as one of the most efficient workers in the country and a number of fire chiefs will be interested in looking over his facilities, methods, etc.

Kentucky Notes

Joseph Marcellus, local agent at Covington, Ky., was married June 11 to Miss Alice J. Hartke of Erlanger, Ky.

E. H. Hildreth, secretary of the Springfield Fire & Marine, spent last week in Kentucky, visiting the field organization.

J. C. Bourland, local agent at Marion, Ky., was recently married to Mrs. Louise Pierce of Paducah. Following a honeymoon trip to St. Louis, they will make their home at Marion.

John L. Coleman, state agent of the North America, Mt. Sterling, Ky., last week lost his daughter, Miss Frances Coleman, 13, who had been ill for some time, having recently undergone an operation for appendicitis.

Members of the Louisville Board, realizing the plight of the eastern Kentucky flood sufferers, principally in the Hazard coal fields, last week subscribed \$500 to funds being raised by the Louisville Board of Trade for relief in the section.

Miss Ruth McCormick of Auburn, Ky., who succeeded to the fire insurance business of her late father, H. L. McCormick, a short time ago, has become Mrs. C. D. Pottinger, under which name she will operate the agency. Companies have been transferring.

Capt. J. L. Stokes, local agent at Monticello, Ky., was a visitor in Louisville Monday. Captain Stokes is in charge of the National Guard unit at Monticello, and was recently delegated by the state to go to Fort Riley, Kan., where he spent three months in the regular army officers' training school of cavalry.

Virginia Notes

Jules J. Elder, special agent at Richmond, Va., for the Connecticut Fire, is back in the field following a trip to the home office at Hartford.

The Alberta Hotel, a large wooden building was destroyed by fire last week. The loss is estimated at \$10,000, partly covered by insurance. Several guests in the building barely escaped with their lives.

The annual meeting of the Carolina pond of the Blue Goose has been set for July 13 at Hendersonville, N. C.

IN THE SOUTHERN STATES

MORAL HAZARD IN FLORIDA

Collapse of Boom Is Factor in Heavy Fire Loss—Agents Blamed for Over-Insuring Properties

TAMPA, FLA., June 15.—At least 50 percent of fires in Tampa on which claims are paid are from "unknown causes" or from incendiarism, according to a statement of Fire Chief Holton before the committee on public fire protection of the Board of Trade. The present conditions Chief Holton blamed on the zeal of insurance agents who write policies for more than the value of property simply to increase their own commissions. The situation is particularly serious now as a result of the very great decrease in real estate prices as a result of the collapse of the real estate boom in Florida.

Blames Insurance Men

"The number of incendiary fires or fires listed on our records as 'cause unknown' has grown to an alarming total," Chief Holton said. "I blame the insurance men as much as any other persons because of their eagerness to write policies regardless of the value of the property to be covered. This throws temptation before owners, many of whom are driven by debt to attempt to realize a few thousand dollars by the simple expedient of throwing a match in a puddle of gasoline or kerosene." Chief Holton also reported that more fire inspectors are needed to weed out fire hazards.

Tampa's fire loss last year was \$4.65 per capita with an average of 5.1 fires for every 1,000 in population. Both these figures are considered high and the new committee will endeavor to make a reduction in coming years. To accomplish this the committee is preparing an intensive and continuous program looking to a reduction of fire hazards and the adoption of fire prevention methods.

Heavy Storm Losses in Kentucky

LOUISVILLE, June 14.—Although fire losses over the state have been very light in recent weeks, companies are loaded down with windstorm losses, principally through their farm departments.

An especial volume of windstorm loss is reported over western Kentucky. George Cundiff, of the farm department of the Home of New York, has a table loaded with records of windstorm losses over that section. The company was hardest hit at Glasgow, Ky., where the Peddigo-Rogers Agency, representing the farm department of the Home, reported well over 100 losses, largely in barns. It required three adjusters a week to go over that section. Owenton, Elizabethtown, Henderson, Owensboro, Clinton, Campbellsville and other sections were hit, but not as hard. Mr. Cundiff said his company would be fortunate if it got out at \$30,000 in the Glasgow territory.

Mississippi Annual Meeting

The annual meeting of the members of the Mississippi State Rating Bureau will be held at Jackson June 24. It is expected that a number of company executives will be present and that the members of the Insurance Commission will be guests.

Kentucky Firemen's Meeting

LOUISVILLE, June 14.—The program has been completed for the 1927 conven-

tion of the Kentucky State Fire Chiefs & Firemen's Association at Owensboro, June 21-23. Field men have been invited to the meeting and arrangements are being made for a large attendance. State Auditor W. H. Shanks is on the program for an address on "Cooperation Between the Fire Chief and State Fire Marshal." Chief Alex Bache of Louisville is president of the association.

Hears from Former Field Man

LOUISVILLE, June 14.—M. B. Russell, state agent in Kentucky for the Fireman's Fund, recently had a very interesting letter from James C. Johnson, a former Kentucky field man, now retired and living at Berkeley, Cal. Mr. Johnson started Mr. Russell in field work in Kentucky years ago, when he represented the North America. He at various times traveled Kentucky, Ohio and Michigan and was general adjuster for the company in handling the San Francisco earthquake and fire losses, later becoming general agent for the companies on the coast and continuing in that position until retiring. Mr. Johnson is now in his 75th year.

Finds Virginia Conditions Good

RICHMOND, VA., June 14.—Jesse M. Waller, assistant secretary of the Aetna Fire, who has just completed a tour of Virginia, visiting agencies of the company in various parts of the state, reports that he found conditions in satisfactory shape. He was especially pleased to note that the state was having comparatively few fires of any consequence.

Virginia Field Directory

The Fire Insurance Field Club of Virginia has published a new directory of the fire insurance field men of that state. This directory is said to be the most correct and complete list of its kind which has been published and the officers of the club, who compiled the directory, have been congratulated upon it. A copy

ON THE PACIFIC COAST

ADMITS EARTHQUAKE HAZARD

J. B. Levison Says Companies Really Violate Underwriting Principles in Writing Class at All

SAN FRANCISCO, June 15.—Justifying the recent action of the Pacific Board in making drastic increases in rates and changes in the rules for the writing of earthquake insurance in California, J. B. Levison, president of the Fireman's Fund, in an address before the semi-annual meeting of the Insurance Brokers Exchange pointed out that even at the increased rate this class of coverage is written by companies in violation of underwriting principles, inasmuch as it is not possible to secure the proper spread of liability to give companies the necessary average. Emphasizing the enormous volume of liability within a more or less constricted territory which it is necessary to write in order to secure even a fair premium income, he stated that of the more than \$20,000,000 premium income of his company last year \$57,000 was earthquake premiums and to write that \$57,000 in premiums, liability running into millions was placed upon the books, thus making this form of coverage most unattractive to companies.

Continuing and speaking not as an

underwriter but as a citizen and property owner, Mr. Levison referred to the fallacy of refusing to look the earthquake hazard frankly and squarely in the face. "Everyone knows it exists and we cannot hide it but should face it squarely," he said.

He called attention to the action of the board in raising the rates, stating that in so doing the board had in mind two points—an endeavor to give the people of California the protection it was felt they were entitled to and at the same time to fix a rate which would at least prove high enough to be somewhat attractive to the companies. "It was the intention of the board to provide a rate schedule that would bring those two factors together," he said. "Banks and other financial institutions loaning money must have this protection and the insurance companies will give it to them as far as lies in their power."

Feels Matters Will Right Themselves

Speaking again as a property owner and not as a company official he said: "We must all be very careful not to rock the boat. We are all in the same boat and any one who rocks it may make trouble." He urged the brokers to uphold the companies and assist in bringing about a better understanding of the true conditions existing. "If brokers will simply view the matter

from the point of view of companies—those who are carrying the risks—and be patient with what is an extremely difficult situation I feel confident matters will right themselves. They generally do."

Referring to the much discussed question of whether fire companies should be writing this class of business, he said that while this was open to question, yet the companies had gone into this field and would as a result have to make the best of it. "It is a situation that calls for the best judgment and the sanest treatment that those of us who are in this business can give it, and if we do give it our best judgment and there are no serious losses within the next year or two I am sure it will work out all right."

Utah-Idaho Blue Goose

The Utah-Idaho Blue Goose has scheduled its annual meeting and election for Saturday, June 25. It will be held at the Elks' Club in Salt Lake City.

British Officials on Coast

SAN FRANCISCO, June 14.—Herbert Lewis of London, general manager of the Commercial Union, is expected in San Francisco this week, accompanied by Alfred Makins of London, secretary of the Union Assurance, and Whitney Falcace, United States manager of both companies. J. C. Griffiths, Jr., Pacific Coast manager of the Commercial Union fleet, will meet the party in Los Angeles and accompany them to San Francisco.

Brokers Exchange Election

SAN FRANCISCO, June 14.—Sanford Hyams was made president of the Insurance Brokers Exchange of San Francisco at the semi-annual election June 9. O. F. Tinnemann was elected first vice-president and Roy Bosworth Dempster, second vice-president. Joseph Sala, Paul Nathan and F. F. DeLisle were elected to the board of governors and Laurent J. Lamanet and William J. Wynn to the arbitration committee.

Report Coast Conditions Good

SAN FRANCISCO, June 14.—Pacific Coast conditions are reported as very good by the various general offices, both in point of increased premium receipts and low loss ratios. The first half of the year is passing and a tabulation of results shows a satisfactory gain over the same period of 1926. What is termed the busy season here is just beginning and there is a general feeling of optimism among company officials. There is also reported an improvement in the matter of delinquent balances which have created considerable havoc in the past. In short, an unusual spirit of prosperity is evinced and, barring some unusual run of heavy fire losses during the next six months, the Pacific Coast will round out the year in flying colors.

Local Board at Eugene, Ore.

Local agents at Eugene, Ore., have organized a local board with J. K. Pratt as temporary chairman, and Roy F. Owen, manager of the Eugene branch of Frank Allyn, Pacific Northwest adjuster, as temporary secretary. The association was formed principally in order to eliminate unfair methods of securing business and to promote the welfare of the city and fire prevention.

Idaho Agents' Officers

Arthur Peavy of Twin Falls was elected president of the Idaho Association of Insurance Agents at the annual meeting at Lewiston. Harry Martin of Lewiston was elected vice-president, and Charles W. Mack of Boise was re-elected secretary-treasurer.

Stutt Visited Chicago

Chester C. Stutt of San Francisco, Pacific coast manager of the Netherlands and Great Lakes Fire, was visiting the United States office in Chicago last week.

Pacific Northwest Field Changes

William E. Rae has been appointed special agent in Montana with headquarters at Great Falls, for the Royal Queen, Newark, Capital and American & Foreign, succeeding T. E. Atherstone, who was recently transferred to Spokane with the rearrangement of the Royal fleet field force.

E. S. Nelson has resigned as automa-

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FIRE—TORNADO—THRESHER—AUTOMOBILE INSURANCE

bile special agent for the Commercial Union companies in Oregon and Washington, to become field man for the Fireman's Fund and Home Fire & Marine. Mr. Nelson, who is one of the best known northwest field men, will maintain headquarters in both Portland and Seattle.

Frank J. Grube, for the past three years special risk engineer at San Francisco for Balfour, Guthrie & Co., has been appointed special agent in Washington and British Columbia with headquarters at Seattle. He succeeded John D. Owens, who resigned to join the Benjamin Goodwin office in the same field.

Montana Deputy Commissioner Resigns

C. J. McAllister, deputy insurance commissioner for Montana, in which capacity he had direct charge of the department, has resigned. Mr. McAllister has been with the Montana department since November, 1921.

New Insurance Paper

G. D. Connor of Seattle, Wash., who has been correspondent of "Underwriters Report" of San Francisco, taking charge of the Pacific northwest news service, has resigned to establish the "Pacific Northwest Underwriter," with headquarters in the Marion building at

Seattle. He is a graduate of the University of Washington and has been connected with the "Underwriters Report" for three years.

Coast Notes

The many friends of B. C. Fritz of Seattle will regret to learn of the death of Mrs. Fritz.

James Swinnerton, vice-president of the America Fore companies, is spending his vacation on the Pacific Coast, with headquarters in San Francisco.

Frank M. Avery, Pacific Coast manager of the Fire Association group, left last week for the home office to attend the annual managerial conference of his companies.

Malcolm Mackenzie, chief underwriter in the San Francisco office of the Royal, is confined to a hospital there with a serious lung trouble. Grave doubts of his recovery are expressed.

R. S. Leopold, daily report examiner for the America Fore companies in the San Francisco office, is spending a two weeks' vacation at Yosemite Falls. Leopold is an old Chicago man, having been an examiner in the western department of the Continental some years ago.

Mrs. J. P. Moore, one of the best known and most revered figures in the fire insurance business in San Francisco, librarian of the Fire Underwriters Association of the Pacific, celebrated her 83d birthday June 13. Scores of her friends and admirers called to pay their respects.

IN THE MOUNTAIN FIELD

COCHRANE HEARING IS ENDED

Both Sides Waive Argument After Testimony Is Introduced—Decision Due in Two Weeks

DENVER, COLO., June 15.—The ouster suit against Jackson Cochrane, Colorado insurance commissioner, which was being heard by the state civil service commission, ended abruptly June 9 when attorneys for both sides agreed to waive both written and oral arguments.

Mr. Cochrane faced charges of incompetence, favoritism, neglect of duty and others in a petition placed before the civil service body by Charles T. Fertig, state fire rater and president of the Colorado State Civil Service Employees' Association. Transcript of the testimony will be reviewed by the civil service commission and a decision made within two weeks. Mr. Cochrane laid a foundation for taking the suit to the courts when his attorney asked that the entire matter be dropped on grounds that the civil service commission had no jurisdiction in the case. He was overruled.

Espionage Is Alleged

Alleged systems of espionage and counter-espionage, slander, threatened face slappings and forceful adjectives played important parts in the testimony. Miss Sarah Dock, clerk-typist in Cochrane's office, one of the principal witnesses, testified Harry McLain, negro messenger, was allowed to usurp the duties of the chief clerk and acted as spy for the commissioner. She charged McLain listened in on telephone conversations and reported them to the commissioner.

W. H. Kelly, rated as chief clerk, said he had not performed the duties connected with his office since February, 1926. He testified his work was taken over by McLain and Miss Ora Sloan, an examiner, who was assigned to work in the deputy commissioner's office.

E. J. Wallfanger, former state budget commissioner, brought out that Mr. Cochrane tried to keep the name of C. T. Fertig, the plaintiff, from the budget request sheet given to the senate finance commission. Other witnesses for the prosecution brought out similar charges and allegations.

Cochrane Denies Charges

Mr. Cochrane's chief witness was Miss Sloan, who denied she was given a favored position or used as a favorite by the commissioner. McLain also denied the charges of Fertig's witnesses. Mr. Cochrane himself took the stand for a

wholesale denial of all allegations. He claimed efficiency in the office had saved \$2,000 the past year.

P. J. Hamrock, president of the civil commission, said following the completion of the trial that a ruling would probably be ready by the latter part of June.

Case of Wide Interest

Jackson Cochrane is the only civil service commissioner in the country. The case, therefore, is of interest because it presents the debatable points of personal efficiency in departmental work as opposed to narrow restrictions laid down by civil service in the designation of what duties shall be performed by the clerks of Colorado's insurance department.

Mr. Cochrane says all employees are just clerks and that finding those here and there superior in mental equipment, he feels it is no reflection on civil service to assign duties to such persons of a type they prove capable of performing to better the service to the public, also in saving the state money.

The fight in Colorado is broader than merely the question of Cochrane's pretensions that he has developed a perfect insurance department machine. Throughout the state house there is a feeling in every department that Cochrane's program, if sustained, will upset the applecart of civil service completely. If Cochrane is whitewashed, these clerks infer, it's good-bye forever to the idea of civil service.

Fined for Starting Forest Fire

GOLDEN, COLO., June 14.—Jack Shewfelt, a rancher living at Crittshell, Colo., was fined \$50 and costs here when he was found guilty of starting a fire in the forest park area. Charges were preferred by E. W. King, supervisor of forest fires for the Denver Rocky Mountain Parks Development & Protective Association.

Shewfelt, testimony revealed, started a fire to cremate the carcass of a dead horse. The blaze spread rapidly and resulted in a small forest fire which was only prevented by prompt action on the part of volunteer firemen. The conviction was the first this season.

Hail Loss in Colorado Heavy

DENVER, June 14.—Three hours after hail insurance taken out by Hauck Powell and Archie Logan, farmers near Longmont, Colo., went into effect hail destroyed the entire crop covered by the policy. Powell and Logan had their crops heavily insured. Both had been to Loveland the day before and listened to the wise words of an insurance man who started a conversation with them on the street.

Insurance men estimate the damage

done to that section will amount to \$20,000 on crops alone.

Denver has been visited by three very heavy hailstorms already this season, with property damage estimated at close to \$500,000.

Forest Fires Serious Menace

Bailey, Colo., was threatened by a forest fire which got within two miles of the city, where it was stopped by a force of over 1,000 men.

Earl H. Keim and C. C. Harmon, Denver men who are accused of starting the fire by failing to put out a camp fire, will be arraigned before the United States commissioner in Denver under government laws, authorities say.

Immediately following the technical arrest and detention of these men E. S. Keithley, supervisor of the government forestry bureau at Colorado Springs, announced full prosecution under both state and government laws could be expected in future cases.

Those found guilty of starting the blazes will have to pay for the damage, Mr. Keithley insists. The forests and lands nearby are the driest in years and until a heavy rain falls the fire menace is greater than it has been for years.

Burning Auto Sounds Own Alarm

TRINIDAD, COLO., June 14.—An automobile that caught fire in the garage of Julian Bion in this city automatically sounded its own alarm when a short circuit in the wiring started the horn to honking.

Neighbors who heard the noise on looking out of their windows discovered the fire. The short circuit is believed to have caused the fire.

Fireworks Ordinance for Denver

DENVER, COLO., June 14.—A truly safe and sane Fourth of July will be held this year if an ordinance introduced in the city council passes.

Under the new proposed ordinance the small boy may shoot anything but toy pistols, caps, cane ammunition, canes for exploding, toy cannons, blank cartridges, torpedoes and firecrackers exceeding 3½ inches in length and five-eighths of an inch in diameter. Fireworks may be sold only by special permit from July 1 to 11:30 p. m., July 4.

Colorado Notes

Fire of unknown origin did approximately \$10,000 damage to the derrick and oil well of the Union Oil Company of California at Ft. Collins, Colo.

Three large buildings at Ouray, Colo., including two amusement parks—the Bon Ton and Temple of Music—and a lively stable, were destroyed by fire with loss estimated at \$10,000. All structures were landmarks of this city. Firemen saved the Western hotel by concentrating their efforts on it.

NEWS FROM THE EAST

NEW HAZARD IN REFRIGERANT

Hartford Fire Chief Wants Regulations on Use of Ethyl-Chloride and Also for Oil Burners

HARTFORD, June 15.—The use of oil burners and electric refrigerators received considerable attention in the annual report of Fire Chief Moran of Hartford, which was submitted to the Board of Fire Commissioners.

Nearly all of the fires resulting from oil burners have been caused by the use of a heavier grade of oil than that specified by the manufacturer or the Underwriters Laboratories, Chief Moran reported. This abuse should be corrected by an ordinance prohibiting the use of any oil other than that specified by the manufacturer or the Underwriters Laboratories, he recommended. He also recommended that regulating devices should be required, attached directly to all hot water and hot air heating boilers equipped with oil burners.

Two fires were caused, and one person was fatally burned, by ethyl-chloride used as a refrigerant, he reported. "This refrigerant is highly and dangerously inflammable," he pointed out. "The constantly increasing use of refrigerants of various kinds, including am-

monia plants, has reached a point where some regulations should be adopted to safeguard the occupants of buildings as equipped, as well as firemen, who are badly handicapped when called upon to work at such places." He recommended that an ordinance be passed regulating the installation and use of all refrigerants such as ethyl-chloride, ammonia, etc.

A recommendation concerning shingle roofs, made several years ago, was renewed. The chief urged that the use of this type of roof throughout the city be gradually eliminated. "As long as many of these roofs exist there will be the possibility of a conflagration in this city from a fire with a wind strong enough to carry burning embers over a large section of the city," he declared.

Explosion Emphasizes Hazard

A practical illustration in the way of a severe explosion of ethyl-chloride occurred in Hartford. A woman tenant in an apartment house had a new refrigerator installed known as a "Coldak." The apparatus failed to refrigerate, the installers were appealed to and an inspector appeared. While the inspector was working on the machine in the kitchen the ethyl-chloride refrigerant exploded and filled the apartment with a noxious gas and also flames. The inspector was killed and the woman was severely damaged.

On the use of ethyl-chloride as a refrigerant, the following is quoted from a bulletin issued by the Automobile of Hartford: "This is a chlorinated hydrocarbon which has come into quite extensive use in the small, low pressure type of system known as the 'household' unit. The head pressure is 27.1. Latent heat of vaporization, 168.6. Ethyl-chloride is flammable and explosive, the explosion limits with air ranging from 4.3 to 14 percent."

REVIEWS CONNECTICUT LAWS

State Department Issues Summary of Legislation Affecting Insurance Business Passed at Recent Session

HARTFORD, June 15.—The Connecticut department has issued a summary of the legislation enacted at the recent session of the legislature. The most important bill was one providing for a revision of the state laws regarding insurance agents, to simplify and clarify the existing law. The law as amended will give the department greater authority over agents, and will provide for the licensing of public adjusters.

Another bill provides that all companies shall maintain reserves equal in amount to their liability under all policy contracts in accordance with the general statutes of the state or with the requirements of the commissioner. Formerly there was a complete absence of statutory requirements for several forms of reserves. This law will take care of changing conditions with regard to reserves for various purposes.

The date for filing tax returns has been changed from Jan. 31 to March 1. The date for issuing companies' and agents' licenses has been changed from April 1 to May 1.

TWO FIRMS MERGE INTERESTS

Buffalo Offices, One Established in 1863, Announce Combination Under Older Company's Name

The Armstrong-Roth-Cady Company and the McPherson-Carter Company, both of Buffalo, N. Y., have merged their interests and the business will be conducted under the name of Armstrong-Roth-Cady Company at that company's present offices in the Marine Trust building. This company is one of the oldest and largest general insurance agencies in the city. It was organized in 1863. The McPherson-Carter

Company entered the field in 1908 and has grown into a profitable agency.

Officers of the Armstrong-Roth-Cady Company are Edward C. Roth, Thomas G. Perkins, Frank W. Fiske, A. Burt Armstrong, Charles M. Clarke, Nelson C. Spencer, Albert Dodge, Leonard R. Bissell and Manson Fiske. Officers of the newer company are Ward H. Mc-

Pherson, president of the New York State Association of Local Agents the past year; James M. Carter, vice-president of the Manufacturers & Traders Peoples Trust Company of Buffalo; Norman K. Butler.

E. C. Roth, one of the main factors in the merged agency, has been especially prominent in the National Asso-

ciation of Insurance Agents, having served as president of that organization.

New Rates for East Hartford

HARTFORD, June 14—East Hartford, across the bridge from Hartford, has been given a general increase in fire insurance rates by the New England Insurance Exchange despite the fact that

water pressure today is higher than before. Higher rates will therefore be paid in some sections, while rates in others will remain the same. Dwellings within 40 feet of a garage will receive a higher rate. Churches, public buildings, schools and other buildings have been rated according to the Dean Schedule. Slight reductions are made in some places, but generally it will be an increase. Frame

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Insurance Society Home Reopened

PHILADELPHIA, June 14—The home of the Insurance Society of Philadelphia was reopened Thursday after being completely renovated and enlarged. New furnishings have been installed and, with the aid of several companies, the classroom facilities have been greatly improved. The dining room has been made over, new equipment changing the whole aspect of the insurance district's favorite eating place, while at the same time the colonial treatment of the decorations has been faithfully maintained.

Red Roosters' Outing

The annual outing of the Loyal Red Roosters of Philadelphia was held June 9. The members assembled at the Philadelphia Insurance Society, and after a big parade, drove out to the Mohican Club for a Big Scratch. John C. Roy, Cock-o'-the-Walk, of Harkness, Peyton & Bishop, was in charge.

Insurance Men Back New Company

HARTFORD, June 14—Hartford newspapers report the organization of the Universal Gear Shift Corporation, which is backed by Hartford men and in which Charles H. Remington, former vice-pres-

ident of the Aetna Life and affiliated companies, is interested.

Edward S. Goodwin of the Goodwin-Beach Company, Hartford, and State Senator Howard E. Bidwell are financing the idea. Mr. Goodwin is one of the organizers of the Insuranshares Corporation and a successful Hartford investment broker. At one time he was associated in an actuarial capacity with the Travelers.

Huling with Hartford Agency

J. W. Huling, formerly of the Aetna Life and affiliated companies, has entered the local insurance and real estate business in Hartford and will be associated with Beardsley & Co. in West Hartford. He has traveled the country extensively as special agent for the accident department of the Aetna Life and has been a frequent speaker at various agents' conventions on accident insurance. For the past three years he has been in charge of the accident ticket department.

Eastern Notes

The annual meeting of the Fire Insurance Patrol of Philadelphia will be held June 16.

Job S. Briggs, 61, livestock underwriter at the Hartford Fire offices for more than ten years, died last week at his home in Hartford following a long illness. Mr. Briggs went to Hartford 12 years ago from Providence where he had been connected with the insurance business for many years.

IN THE CANADIAN FIELD

LEGISLATION ON INSURANCE

Association of Superintendents Issues Review of Changes in Laws Made in 1927

Last year witnessed the enactment of insurance legislation by the legislatures of British Columbia, Alberta, Saskatchewan, Manitoba and Ontario and by the Parliament of Canada. No insurance legislation was enacted in Quebec, New Brunswick, Nova Scotia or Prince Edward Island. A brief review by the Association of Superintendents of Insurance of the Provinces of Canada of the legislation enacted is given herewith:

Fire Insurance

Alberta anticipated discussion at this year's conference by the enactment of legislation with reference to over-insurance of fire risks. Saskatchewan amended its resident agency law to eliminate the necessity of an approval of the risk by the resident agent. Saskatchewan, Alberta and Manitoba, at the request of the Western Canada Fire Underwriters Association, uniformly revised their law with respect to clauses in policies covering partial payments of losses.

On accident and sickness insurance Saskatchewan amended Section 229 with reference to the notice required to be printed on ticket policies.

Automobile Insurance

Saskatchewan amended section 205 to limit the term of contracts to one year; also the sections with respect to attaching application to policies, contents of written application, red ink notice on written application and contents of policies, and added a new section 210b requiring insurers to adjust loss with the insured where automobiles were sold on and insured in connection with the deferred payment plan. Saskatchewan, British Columbia and Alberta followed Ontario to prohibit finance or acceptance corporations or automobile dealers or insurance agents signing written applications for insurance on behalf of the applicant. British Columbia, Alberta, Saskatchewan and Ontario all adopted the new section to make it unnecessary to issue a new policy every time the subject-matter of a contract is changed, for example, when the insured buys a new car.

Alberta and Saskatchewan uniformly enacted several provisions recommended

by a sub-committee of the conference at Victoria, B. C., in 1926.

It is apparent that, except in the case of Manitoba, most of the important amendments recommended by the association have been made by all the provinces represented at the 1926 conference at Victoria.

Canada Commissioners' Meeting

The annual conference of the Association of Superintendents of Insurance of Canada will be held in Quebec, opening the morning of Aug. 30. All meetings are open to accredited representatives of insurance interests and to the general public except where indicated on the program as "private."

The Canadian Bar Association and the Conference of Commissioners on Uniformity of Legislation in Canada meet in Toronto the week of Aug. 21st.

An advance program is now in preparation and will be published about July 1.

City of New York Enters Canada

The City of New York has been licensed in Canada for fire, sprinkler leakage, tornado and limited explosion insurance.

F. W. Evans has been appointed chief agent in Canada. The Canadian head office is in Montreal.

America Fore Field Appointment

G. D. Holmes has been appointed special agent for the America Fore group, with headquarters at Regina.

W. C. F. U. A. Annual Meeting

The annual meeting of the Western Canada Fire Underwriters Association will be held in Toronto July 6. The annual meeting of the Grain Insurance Association will take place immediately following.

Canadian Losses Compared

According to the "Monetary Times," fire losses in Canada for the week ending June 1 are estimated at \$100,000 as compared with \$1,324,450 for the corresponding week of 1926.

According to the same source, fire losses in Canada for May are estimated at \$1,338,300 as compared with \$2,573,667 for May, 1926. The losses are divided as follows: Alberta, \$64,000; British Columbia, \$17,000; Manitoba, \$4,500; New Brunswick, \$20,000; Nova Scotia, \$29,300; Ontario, \$126,700; Quebec, \$469,000; Saskatchewan, \$107,800; with an estimate of \$500,000 for unreported losses making up the total. This is the lowest loss record for any month this year, and is

50 percent less than the loss for the same month last year. The record for the first five months of this year shows a total decrease of \$3,000,000, as compared with the same period last year.

Muldaur Speaks in Winnipeg

WINNIPEG, June 14—George B. Muldaur, general agent of the Underwriters Laboratories, addressed a crowded meeting of various organizations here and gave a graphic and interesting account of the work carried on by the Underwriters Laboratories. He stressed the fact that this organization was purely a service affair, and not out to make a profit. He illustrated his lecture with a series of slides showing the different tests carried on, and told of the requirements necessary to pass these tests and the necessary minimum standard of excellence demanded. The lecture was closely followed by his audience. Mr. Muldaur addressed the Lions Club the previous day in a similar strain.

Carelessness Cause of High Rates

OTTAWA, June 14—At the meeting of the Union of Canadian Municipalities, in session here, fire insurance rates were discussed following a paper by John A. Robertson, chairman of the Canadian Fire Underwriters' Association, Toronto. Frankly admitting that insurance rates are too high, Mr. Robertson claimed that the public, and not the insurance companies, is to blame. The rates depend on fire losses and the curse of North America as regards fire insurance is the carelessness of the individuals. Seventy-five percent of the fires are avoidable.

"Education of the public is a waste of time. You must put the public in jail if you want to do something," said Mr. Robertson. In European countries where the man who has a fire is called to account, Mr. Robertson said the fire insurance rate is one-tenth to one-twentieth of the rates in Canada.

Canadian Notes

Harold Huxley, Lloydminster, Sask., has been appointed to represent the New Hampshire Fire.

H. A. Bush, assistant manager of the Fireman's Fund, Chicago, was a visitor to Winnipeg last week.

Fire at Montreal, thought to have been of incendiary origin, completely destroyed a coal and wood yard and almost completely destroyed some ice houses, causing damage of \$150,000.

The business section of Sturgis, Sask., was practically wiped out by a fire in which nine buildings were destroyed, including two stores, two barns and a number of outbuildings. The damage is estimated at about \$20,000.

At Sarnia, Ont., a fire of unknown origin broke out in the boiler room of the steamer "United States," moored at the wharf. The upper works and interior were badly gutted and the loss, it is believed, will be as high as \$200,000.

IN THE MOTOR FIELD

CONFER ON NEW TEXAS ACT

State Insurance Commission Conducts Hearing on Law for Regulating Automobile Rates and Forms

DALLAS, June 15.—In connection with the new act authorizing the commissioner of insurance of Texas to fix rates for automobile insurance, a conference of some 40 interested representatives was held in Col. William Thompson's office last week preceding the holding of the called meeting of representatives of all companies now writing or desiring to write automobile insurance in Texas, at which more than 250 were present. The salient facts presented were statistical largely, it being estimated that a staff of 14 people will be required to handle the detail in connection with supervision of rate-making for the state, which will entail an expense of \$35,000 to \$50,000 per year. Commissioner R. M. Daniel requested an assistant commissioner of chief rate at a salary of \$5,000 and purchase of office equipment to the amount of \$7,950. Since the act makes no appropriation, the purpose of the called meeting was to devise ways and means of operation and financing.

A committee of six, appointed to con-

fer with the commissioner, was as follows: For the stock fire companies: D. D. McLarry, general agent of the Home Fire; George M. Easley, general agent at Dallas for several companies; for the stock casualty companies, J. W. Teagarden, manager for the Texas department of the United States Fidelity & Guaranty; C. Perry, secretary Automobile Underwriters Insurance Company; for the profit-sharing companies: Homer Mitchell, president of the Texas Employers and Employers' Casualty; D. D. Fox, district manager Hardware Mutual companies. The committee elected Homer Mitchell as its chairman.

Talks were made by J. Ross Moore, secretary and manager of the National Automobile Underwriters Conference of New York; H. P. Stellwagen, secretary of the National Bureau of Casualty & Surety Underwriters, and Colonel Thompson, through the thread of whose speech ran the warning that, in event the companies did not themselves provide ways and means for making the new act effective within the 90 days granted by the act, the next called session of the legislature would almost certainly fix a heavy tax to provide funds for financing the operation of the new department.

Reduction on Chrysler Cars

NEW YORK, June 15.—Upon receipt of the experience of the Chrysler Motor Car Corporation under its contract with the Palmetto Fire, the data was added to that already available to the National Automobile Underwriters' Conference, with the result that the latter organization authorized a reduction in former theft rates on Chrysler cars of about 30 percent the country over. The new figures, which appear in the first supplement to the 1927 rate manual, are effective from June 13. The revised figures place Chrysler cars in the same rate class as the Peerless and the Moon machines. The rate change applies to theft coverage only, the fire rates remaining as before.

Federal Automobile Hearing Reset

LANSING, MICH., June 14—Hearing on the order of the Michigan department that the Federal Automobile, Indianapolis reciprocal, show cause why it should not be deprived of its Michigan license, has been set for June 20, and it is anticipated that no further postponements will be countenanced by Commissioner Livingston. The hearing was twice deferred on plea of the exchange that it could not prepare to make a showing in the time allowed.

Did Not Discuss Plans

In a recent issue in the story published from Detroit it was stated that the directors of the National Automobile Chamber of Commerce discussed plans for an insurance organization by manufacturers similar to the General Exchange Insurance Corporation operated by General Motors. It was also said that General Manager Alfred Reeves of the Chamber of Commerce had refused to discuss this possibility. Mr. Reeves states that the directors had discussed no such plans nor was he interviewed on the subject.

Washington Business Increased

OLYMPIA, WASH., June 15—Third place in the insurance business conducted in Washington goes to motor vehicle insurance, it was shown in a report issued by Commissioner Fishback. Premiums collected in 1926 reached \$6,067,909, or a gain of \$896,905 over 1925, which was \$5,171,004. Net losses paid in 1926 were \$3,154,379, while in 1925 they were \$2,576,571, an increase of \$577,807. Fire, theft and transportation insurance totaled \$1,904,377 in new premiums. Losses reached \$786,097, a gain of \$36,000 over 1925. Premiums increased almost \$160,000.

First place for volume of business goes to property damage and collision coverage, with net premiums of \$2,235,723. This is an increase of about \$566,000. Net losses were \$1,500,404, an increase of approximately \$327,000. Auto liability insurance totaled \$1,857,618 in premiums collected, showing a gain of about \$232,000. Net losses amounted to \$820,146, an increase of about \$198,000.

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The National Underwriter

June 16, 1927

CASUALTY AND SURETY SECTION

Page Thirty-Seven

SURETY ASSOCIATION NOW BECOMES MILITANT

Will Seek to Hold Its Members to a Strict Line of Procedure

FAVORS NON-INTERCOURSE

Will Put Up the Bars on Reinsurance With Outside Companies—Will Exact Pledge

NEW YORK, June 15.—Owing to the militant attitude assumed by the Surety Association of America, it is thought that there will be an entirely new spirit in the surety world, once the association gets well under sail with its vigorous and what might be called pug-nacious qualities. The non-association companies have had an advantage because they could always get reinsurance from association companies. An outside company therefore could handle a good sized bond and get plenty of help from association companies. The Surety Association of America saw that the association itself, therefore, was not functioning in a way to protect its members as it should. Frequently association companies would take bonds that were not written at the manual rates from the outside companies. Furthermore, they aided and abetted the non-association companies by helping carry their business. Now the association companies will draw the line tight and will not give or receive reinsurance or become co-surety with an outside office.

Must Pledge Allegiance

Furthermore, the feeling seems to be that Surety Association companies must give a pledge that they will uphold the rules and practices of the organization or be expelled. The time has come, say Surety Association leaders, when the organization must amount to something. The Towner rates must be upheld. The rules of the organization will have to be observed. There undoubtedly will be an acid test applied to present members to see whether all of them will agree to toe the mark. Some companies in the association, it is claimed, have been running wild in some sections. If the new policy is rigidly adhered to there must be some house cleaning. It is stated that the big factors in the surety business have come to the conclusion that the organization will have to amount to something and the companies must stick together.

Forgery and Alteration Bonds

The dispute over the forgery and check alteration bonds is now up to a committee of five. Chairman of the Board W. B. Joyce of the National Surety stated at the last meeting that he would abide by the decision of this committee. The dispute has been over discounts given on the bonds for protective devices. Mr. Joyce claims that there should be no discount on the forgery end of the premium, because he

FRAUDULENT CLAIMS ARE BECOMING HEAVY BURDEN

"SHYSTER" LAWYERS BLAMED

Philadelphia Insurance Men and Manufacturers Are Awake to Seriousness of Situation in That City

PHILADELPHIA, June 15.—Grave charges against members of the Philadelphia legal fraternity involving the collection of fraudulent accident claims through power-of-attorney secured from victims of accidents have been made by "The Manufacturer," official organ of the Manufacturers Club. Considerable publicity has been given the condition by the local press, to the extent that the Casualty Underwriters Association has decided to take immediate steps to form an Alliance Against Accident Fraud to work with civic organizations and interested persons with the object in view of stamping out the evil.

Casualty Association Acts

W. W. Berry, resident manager of the Globe Indemnity and president of the Casualty Underwriters Association, issued the following statement to the press when the situation became public: "The executive committee of the Casualty Underwriters Association of Philadelphia discussed the situation in fraudulent claims to its fullest extent at the regular meeting held this week. Officials of member companies have recognized the serious condition, and in an effort to cure it, organized a branch of this association in an effort to cure conditions. But the time has come to take the affair out of the hands of the claim section of the association, and, with that end in view, the company officials have under consideration the formation of an organization to be known as the Alliance Against Accident Fraud, which has been organized in other parts of the country. Not only did the officials of the various companies decide to take the matter into their own hands, but it was agreed to hold frequent meetings to keep in touch with progress. Home offices from all over the country are expected to send representatives to attend future meetings."

Cites Figures on Extent

There are approximately 250 "shyster" lawyers in Philadelphia engaged primarily in setting up fictitious or grossly

declares that no special paper or device has any effect on forgery although there is an effect on check alteration. He wants two bonds issued, one for check alteration and one for forgery. The Metropolitan Casualty gives a discount on the whole premium. The committee will go into this question very thoroughly and its recommendations undoubtedly will be followed. Need is seen for this question to be cleaned up.

The acquisition cost program, which is entirely outside the bounds of the Surety Association, is jogging along, companies endeavoring to comply with it, as best they can. The National Bureau of Casualty & Surety Underwriters has called on the companies for their registered agents to see how they are being classified.

STOCK CARRIERS TO COMPILE MORE DATA

ACT ON APPEAL FOR INCREASE

Information on Minimum Rated Risks According to Industries Will Be Gathered, Studied

NEW YORK, June 15.—Appreciating that the data on which the stock carriers holding membership in the National Council on Compensation Insurance based their request for authorized increase in minimum rated risks some months ago were inconclusive, the shortcoming will be rectified in the later figures, now completed so far as several of the offices are concerned. The request for the increase was denied on the grounds that though it gave experience graded according to premiums, it failed to set forth the record as to industries.

Experience to Be Reviewed

The more complete experience not only covers two additional years, but will be illuminating as showing the loss records of different industries, enabling underwriters to determine what of the number are yielding excessive claims. When all data is in hand it will be reviewed by the actuarial committee and proper deductions made therefrom. Compilation of the statistics has proven expensive and it was hard to convince some of the offices that its preparation was justified. Finally all consented.

Meantime it continues increasingly hard to place minimum rated business. Some companies have definite premium limits below which they will not accept such risks. All companies are watching to see that they are not offered an undue proportion of accommodation lines. While willing to accept these in modest degree from their own agents writing a fair volume of general business, no office cares to be made "the goat" for carrying risks cancelled by competitors and are keeping close watch for offerings of such character.

exaggerated accident claim cases against wealthy individuals or insurance companies, the "Manufacturer" charges. The number of such dishonest accident claims is estimated by the "Manufacturer" at 30,000 annually in the Philadelphia district alone, while the amount of money collected every year is beyond accurate guess, but runs into millions of dollars.

Increased Rates Result

The recent increases in automobile accident or liability rates is a result, according to the publication. "In consequence of this organized dishonesty, the automobile accident rates have advanced 10 percent each year since 1924, with an increase of 20 percent on other than pleasure cars in 1927," it says. "The city of Philadelphia alone pays \$500,000 a year for alleged personal injuries due supposedly to defective streets, and another \$250,000 for alleged injuries to pedestrians on sidewalks.

"And who pays for the spurious automobile claims? Not the insurance companies, but all the rest of us who carry insurance on our cars."

RECENT COMPENSATION RATE CHANGES SHOWN

National Council Reviews Action With Regard to Several States

TARIFFS ARE INCREASED

Upward Trend in Premiums Is Indicated Following Unfavorable Experience in Various States

NEW YORK, June 15.—Important changes in the rates for workmen's compensation insurance in various states recently enforced or shortly to become applicable, according to the National Council on Compensation Insurance, are as follows:

A flat advance of 9.2 percent became operative in Indiana May 16, 1927, the increase being required to offset the additional cost to the business it is estimated will result from the recent amendment of the state law which became effective on the same date.

Louisiana Rates Higher

On July 1, revised rates will apply to new and renewal business in Louisiana, obviating thereby the necessity of endorsing outstanding policies. The new rates represent an average increase of 8.2 percent in level.

To meet the probable increase resulting from the new law of Massachusetts which becomes effective July 16, rates in the state will on that date be increased a flat 7.7 percent, and will apply to outstanding as well as to new and renewal contracts.

Approval of the suggested changes in classification rates having been given by the Compensation Insurance Board of Wisconsin, new tariffs effective July 1 will represent an increase of approximately 1.4 percent in the present general level. The board has also approved a flat increase of 2.1 percent in addition to the above which is based upon experience, to offset the greater liability it is assumed will result from an amendment to the statute effective July 1.

The council is reviewing the experience in New York and in Tennessee with a view to determining the effect thereupon of recent legislation adopted in both states. The Tennessee figures will be submitted to Commissioner Caldwell at a conference in Nashville. It is proposed that any rate change that may be agreed upon will be effective as of July 1.

Secretary Phillips of the Minnesota Compensation Insurance Board and General Manager Reynolds of the Minnesota Compensation Rating Board are in this city going over with the council staff the experience of the state with a view to revising the present rates.

A review of Kentucky rates indicated that existing figures are satisfactory both relatively and as to the general level.

RESULTS ON CASUALTY LINES IN 1926 IN CANADA

LOSS RATIO SHOWS INCREASE

Automobile and Compensation Lead in Volume—Fidelity and Surety Most Profitable

OTTAWA, ONT., June 15.—Most of the casualty lines have increased rapidly in Canada in recent years, but the comparatively new lines of workmen's compensation and automobile coverage now stand decidedly in the lead on the final figures for 1926.

There was an increase in compensation premiums, but the losses were exceptionally heavy and the underwriting experience unsatisfactory. There was a decrease in personal accident premiums while the claims continued at a high level during the year. This business was unprofitable. There was development in automobile insurance, but the loss ratio was 54 percent compared with 49 percent in 1925.

Business Generally Profitable

The volume of plate glass for 1926 was somewhat lower than 1925, but it has made reasonable profit. The year as regards fidelity and surety was very favorable. The volume of business increased materially and loss ratios were reduced, that of surety being only 9 percent. The general loss ratio on casualty lines in 1926 was 53.22 percent compared with 47.26 percent in 1925.

The experience under the various classes for 1926 was as follows:

	Premiums Written	Losses Incurred	Percent
Personal acci.	\$1,958,758	\$1,368,603	69
Emp. liab. and work. comp.	3,039,914	2,164,072	71
Other acci.	883,605	304,238	35
Combined acci. and health.	1,579,965	884,784	56
Automobile	8,061,992	4,372,793	54
Burglary	993,280	274,726	27
Credit	315,113	121,942	39
Electrical			
mach.	93,034	19,629	21
Forgery	34,491	14,179	41
Fraud	13,556	4,170	30
Fidelity	1,014,877	285,778	28
Surety	1,065,573	93,373	9
Live stock	88,357	79,040	81
Plate glass	59,234	205,926	38
Sickness	1,654,459	900,690	54
Steam boiler	505,820	24,950	4
	\$21,857,978	\$11,118,893	53

Post Office Fraud Order Issued

A Post Office Department fraud order has been issued against Warren E. Hamilton of East St. Louis, Ill., who was recently indicted by the federal grand jury for the eastern district of Illinois on charges of using the mails to defraud. The charges grew out of his management of several small mutual life and accident insurance companies which the authorities have described as "burial societies."

Hamilton had bought 11 small mutual life and accident companies and is charged with unlawfully assessing the members of certain of the companies to make up the losses of other companies. He was vice-president of the Monarch Life, headed by Former Referee in Bankruptcy Charles B. Thomas, but that company did not figure in the investigation that led to the charges and had nothing to do with the companies involved.

The fraud order named Hamilton as secretary and treasurer of the Atlantic-Pacific Protective League, Central Mutual Union and Jefferson Mutual Union.

Burns with Standard Accident

NEW YORK, June 15.—Robert J. Burns, now with the local department of the Metropolitan Casualty, will on June 20 join the metropolitan office of the Standard Accident as superintendent of its contract bond department. Prior to his connection with Metropolitan Casualty, Mr. Burns was assistant manager of the contract bond division of the local branch of the Fidelity & Deposit.

PUBLIC DETERMINES COST OF INSURANCE

PEOPLE GIVEN SOME FACTS

President Holland of Independence Indemnity, Independence Fire, Writes Article for Layman

Charles H. Holland, president of the Independence Indemnity and the Independence Fire, recently wrote an article on the making of insurance rates in the fire and casualty lines that contains much of value for the layman, for whom primarily it was written, and also for the insurance man. Mr. Holland states that the answer to the question "Who makes insurance rates?" is unknown to 99 percent of the general public and to too few insurance men, many of whom believe rates are "made" instead of "developed."

The article explains in exhaustive and easily comprehensible detail how experts collect, file, classify and reclassify data on the "happenings" of the past and develop rates from them. "Every rating bureau," Mr. Holland says, "is staffed with experts, and not one of them has any interest in rates being either high or low. Their only interest is that rates be correct."

"Claims cost," the article continues, "is what determines in large measure what the people pay for insurance, and this claims cost the people themselves establish. We—the people—make insurance rates, and we pay the bill."

WIFE CAN'T SUE HUSBAND ON AUTO INJURY IN MICHIGAN

LANSING, MICH., June 15.—A wife who goes automobile riding with her husband, whether or not he carries liability insurance, has no right to bring suit against him if she is injured through an accident as the result of his negligence, according to a decision of the Michigan supreme court in case of Susan Harvey vs. John W. Harvey, Jr.

In considering the rights of the wife to recover from her husband in such an instance, the decision says: "We can conceive of circumstances where liability insurance carried by the husband might prove the moving factor and not at all disrupt connubial bliss in collecting from an insurance company."

The lower court entered judgment for the defendant on the ground that a wife cannot legally maintain an action against her husband for injuries sustained through his negligence. The higher court fully upheld the trial judge. It is held that amendments to the statutes of late years designed to "emancipate" the married woman in relation to her legal and property rights as an individual have no bearing on the action in point. It is further held that the wife could not by changes in the laws, obtain rights not shared by her husband and that the husband certainly has no such right of suit as that presented in the case in point.

Golan to Handle Insurance

There has been much speculation in Chicago since William Hale Thompson was inducted into the mayor's office as to the policy the city administration would adopt as to surety bonds and insurance in general. When Mr. Thompson was mayor before all the city business was placed in the hands of one man, Virtus Rohm, who became a broker attached to the Southern Surety. Mr. Rohm and O. W. Huncke, manager of the Southern Surety, both are on the wrong side of the political fence and hence are eliminated. A new star has appeared in the firmament, Louis E. Golan, a west side politician and the insurance undoubtedly will clear through him. He has established an office in the Metropolitan building.

ASSESSMENT PLAN IS FRAUGHT WITH DANGER

HAD HEARING IN CALIFORNIA

Several Concern Applying for License Alarm the State Insurance Department As to the Future

SAN FRANCISCO, June 15.—Representatives of 16 recently organized assessment health, accident and life benefit associations heard their plans of operations described as inadequate, unscientific and even dangerous by the officials of the California insurance department Tuesday. Commissioner Chas. R. Detrick alarmed at the number of assessment organizations being formed and applying for licenses to operate called them for a hearing to discuss the method of operation.

A. H. Mowbray Gives Views

John P. Riordan, deputy attorney general of California, A. H. Mowbray, consulting actuary and Mrs. M. E. Long, deputy commissioner sat at the hearing and each presented objections to the assessment plan of insurance. Professor Mowbray, well known throughout insurance circles in the United States told the story of the experiences of the Bankers Life and other assessment bodies. He warned the representatives of the inadequacy of their plan, told of the numerous legal and natural obstacles and the law of averages which would indicate that of the many now applying for licenses there would be few left in the next few years unless amalgamations were made and the companies placed on a legal reserve basis.

Would Create Danger

The department said that to permit the number of concerns now seeking licenses to operate in California would create a condition of danger. It was shown that in the past two years there have been seven licensed, three all still pending and 18 others are at work seeking "charter" members prior to presenting a formal application to Commissioner Detrick. Plans to be followed by all such organizations are to be prepared by a special committee.

Purpose of the Hearing

In explaining the purpose of the hearing Commissioner Detrick said that the department had received numerous letters of complaint from all parts of the state regarding the activities of the associations. Mr. Mowbray said that California could not stand even the number of assessment concerns represented at the hearing, while Mr. Riordan pointed out that the number of associations now being formed in California was reaching a danger point.

Law Is Inadequate

The law of California on the subject was inadequate and improper said the attorney general and he warned those present that one of their chief concerns will be avoiding difficulties in the methods of operations and running foul of the law. The only defense of the assessment plan offered was that it presented life insurance for those who could not handle legal reserve protection.

Boston Accident Men Meet

BOSTON, June 14.—Some 60 members of the Accident Underwriters Association of Boston held their annual meeting and outing at Pemberton Inn on the south shore. Short talks were made by Frederick S. Moore, Henry B. Fowler, Charles M. Rogers and William B. Phelps.

The following officers were elected: President, John J. Ruddy, Travelers; vice-president, Robert L. Brown, Columbian National; secretary, George R. Bacon, Massachusetts Accident; treasurer, Lief C. Lunsted, Gilmour, Rothery & Co.

COMPLETE RECORD OF AGENTS IS ASKED

VERMONT FORMS ARE ISSUED

Companies Operating in State Receive Certificates for Use Under New Automobile Insurance Law

NEW YORK, June 15.—Copies of the form of certificate required under the new Vermont automobile insurance law which became operative on the first of the present month have been supplied all companies granting the coverage in question (whether through the medium of a liability policy or a surety bond), licensed in the state. The certificate, after calling for the name and address of the assured, certifies that a policy or bond, as the case may be, has been issued "in amounts of at least \$5,000 for one person injured, \$10,000 for two or more persons injured in any one accident, and \$1,000 for property damage." Then follows a description of the car insured. The certificate must be signed by an authorized representative of the insuring company. Commissioner of Motor Vehicles Charles T. Pierce, who is entrusted with the enforcement of the statute, requests that all companies file with his office a complete record of their agents in the state authorized to affix signatures.

BUS LIABILITY INSURANCE CONSIDERED IN NEBRASKA

LINCOLN, NEB., June 15.—A dozen representatives of liability insurance company agents sat with the state railway commission last week in a conference with the owners and operators of the principal intertown bus lines in the state. The attorney for the commission came to the conclusion and recommended that bus liability policies should provide for \$7,500 payment for one death with a total liability of \$30,000 for any one accident. This was objected to by the insurance men and the bus operators, as it would mean an increase of 48 percent on the base rate and an average increase of 30 percent in premiums that now run as high as \$660 a year on the 25-passenger bus. The agents suggested a \$5,000 minimum with a \$50,000 coverage which would mean an increase in rates of but 10 percent. The insurance men undertook to work out a satisfactory solution, and will confer with the commissioners at a later date. The new rules the commission will adopt will make for greater safety, but the insurance representatives declined to hazard a guess as to what effect this would have on rates.

Mythical Accidents Under Fire

NEW YORK, June 15.—The federal grand jury, sitting in Brooklyn, continues its investigation of the alleged gang that has been mulcting casualty companies and others for reputed automobile accidents, and has already ordered the arrest of several persons. It is contended that claims have been filed and damages collected for accidents that never occurred. Insurance companies are interested in the developments and are hopeful that those guilty of the practice charged against them will be properly punished.

London & Lancashire Changes

R. R. Varstead has been appointed special agent of the London & Lancashire Indemnity traveling out of the Chicago western service office under Manager W. S. Marsden. He succeeds J. J. Mullins, Jr., who is appointed assistant manager of the office. Mr. Mullins came from Bridgeport, Conn. He went through the Travelers casualty school and was located for that company in Toledo. Later he joined the London & Lancashire Indemnity as special agent. He will look after the surety end of the business primarily. He succeeds R. F. Munsell, who becomes assistant manager of the surety department of the Columbia Casualty and Ocean Accident in Chicago.

FORGERIES COST MORE THAN \$200,000,000 YEARLY

Vice-President Barnhart of National Surety Addresses Business Men in West

GIVES A STRIKING TALK

Protective Devices Do Not Hamper Clever Professionals Who Raid Bank Accounts

Check forgeries and alterations cost American business men \$200,000,000 a year according to Vice-President W. L. Barnhart of the National Surety. This is a fairly close estimate on the known losses. Unknown losses may be put at any figure desired. Naturally business firms are reluctant to make known the fact that they have been defrauded and unless they are insured they silently bear the loss.

Mr. Barnhart has recently had a considerable number of speaking engagements before organizations of business men in the middle west, including the Illinois Bankers Association at Danville, and Exchange Rotary clubs in Detroit, Cleveland, Toledo and Chicago. At Chicago his talk aroused great interest and the questions of the members regarding such frauds occupied more time than his formal remarks.

Talk Startles Business Men

Mr. Barnhart's talk is rather startling to business men. He holds up genuine checks of the New York Life, the New York "Times," the New York Central railroad, Delaware & Lackawanna and Boston & Maine railroads, big department stores, the American Tobacco Company, etc., and tells how he obtained them without the least trouble. With a genuine check in his possession the forger has the key to the bank account of any concern.

There is no protective device on the market that offers even moderate safety against a forger. There are printing shops that will duplicate any check of which a sample is furnished. Every check writing machine on the market is available to the forger. About all that the protective devices do is to keep out the amateurs.

Documents in \$4,000,000 Case

A forgery or imitation of a check need not be a very good likeness of the check of the concern victimized. The greatest forgery coup on record was one that procured \$4,000,000 from a Wall street firm on a single transaction. Mr. Barnhart had with him and passed around at the meeting the original documents in the famous Wall street forgery. These include a check and a letterhead. Neither the check nor the letterhead is a very good likeness of the one actually in use by the banking house victimized.

Forgers buy from crooked printers the checks they need in lots of 100, the current price in underworld circles being \$150 for 100 checks. This not only gives a plentiful supply to allow for spoilage, but it also enables the forging gang to put over a series of checks and get a large amount of money without any transaction running up into figures that seem out of the ordinary or arouse suspicion.

Exhausted Depositors' Account

In the series in which \$170,000 was realized on forged Pullman checks the checks were not even the same color as those used by the Pullman company. In a Chicago case the series continued until the crooks had exhausted the bank account of the concern victimized, and

SCOPE OF LONGSHOREMEN'S ACT IS EXPLAINED—COMPLETE RATES GIVEN

The United States Compensation Commission has announced that under the terms of the longshoremen's and harbor workers' compensation act, which becomes effective July 1, employers must satisfy the commission of their ability to pay claims and become "self insurers" or insure with a company approved by the commission.

The act provides that any employer required to obtain compensation who fails to do so shall be guilty of a misdemeanor, punishable by a fine of not more than \$1,000 or imprisonment for not more than one year or both. Every stevedoring firm is required to obtain a certificate of compliance, which must be presented to a vessel owner before he can employ such stevedores. Violation of this rule also is punishable.

Under the rules laid down by the commission every employer who desires to become a self insurer must make application for this privilege on a form provided by the commission.

The commission reserves the right to revoke the privilege of self insurance at any time for good cause shown. The privilege also may be revoked for disregard of any of the provisions of the act as to the time and method of compensation payments, the furnishing of medical treatment or the filing of all injury and compensation reports.

A lengthy communication dealing with the act has been sent to its members by the National Council on Compensation Insurance. The council states that while there are numerous interpretations as to the exact scope of the act it apparently applies mainly to the following classes of workers: "Stevedores engaged in loading or unloading ships while actually on board ship; and, employees engaged in repairing ships while on navigable waters or in dry dock."

State Laws Cover Shore

It is further explained that "Employees engaged as stevedores or longshoremen will be under the state law while on the dock or on land and employees engaged in ship repair work will also be under the state law while working in the shops or yards. Employees engaged in constructing new ships will be under the state law, inasmuch as ships which have not been placed in commission apparently do not come under federal jurisdiction."

"The act does not apply to employees

engaged by the master to load or unload or repair any small vessel under 18 tons net, nor does it apply to the master or a member of the crew of any vessel."

Though no change is made in the phraseology of classification 7309, rates have been revised based on the following considerations: "That 75 percent of the loss cost will come within the scope of the federal act and 25 percent under the state act. That states where credibility is given the state experience, the federal portion of the rate shall provide equal weight for state and national experience. Provided that in no case shall the resulting rate be less than would result from using the state's own indications for the federal and state portions, and further providing that in no case shall the ratio be less than the present coverage II rate."

Classification of Rates Given

Risks covering stevedoring by hand will continue to be those required for the classification, "except in states where the increase effective Jan. 1, 1925, has not been approved, the rates proposed Jan. 1, 1927, shall be considered the existing rates. Rates for ship repair work are predicated upon the assumption that 66 2-3 percent of the loss will come under the scope of the federal act and 33 1-3 percent under the state law. For ship ceiling and rigging, operations which obviously will come under the scope of the federal act, current rates have been increased by flat percentages. A new classification covering painting and scaling of ship hulls has been prepared."

The endorsement form prepared for attachment to policies, which may be used in compensation states and employers liability states, reads: "The policy to which this endorsement is attached has also attached thereto certain other endorsement or endorsements citing and describing the workmen's compensation law of any state to which this policy is made applicable. Any such endorsement is herein called the 'state compensation endorsement.'"

'Maritime Operations' Defined

"Maritime operations" shall mean the operations defined as such in the longshoremen's and harbor workers' compensation act hereinafter cited and described. If maritime operations are in-

(CONTINUED ON PAGE 46)

State	Stevedoring N. O. C. No. 7309	Stevedoring hand trucks No. 7317	Stevedoring tallymen No. 8709	Shipwright work No. 6872	Ship ceiling No. 6873	Rigging ship or boat No. 6864	Painting ship hulls No. 6874	Boat building No. 6824	Percent in- crease for other repairs
Ala.	13.90	3.28	.89	3.65	5.49	5.93	6.43	3.04	
Ariz.	14.28	5.07	1.30	5.01	9.54	7.75	8.68	3.71	
Cal.	14.44	5.03	1.53	6.13	4.99	7.45	7.85	3.23	35
Colo.	12.31	2.80	.79	4.24	9.25	3.69	8.02	2.52	45
Conn.	12.94	2.59	.99	4.51	7.93	6.25	10.50	2.55	35
Ga.	12.84	2.71	1.01	4.54	11.13	7.78	8.22	2.67	65
Hawaii	9.25	4.10	1.13	4.59	11.86	7.91	8.96	3.45	35
Idaho	12.81	3.20	.87	4.44	11.56	8.72	10.02	3.18	65
Ill.	12.93	3.46	.99	4.49	9.85	6.61	6.47	2.60	35
Ind.	12.39	3.38	1.02	4.28	10.39	7.12	6.56	2.69	35
Iowa	12.58	3.01	.83	4.31	8.61	6.33	6.95	2.27	65
Kansas	13.32	3.01	.81	4.60	11.81	7.38	7.02	2.85	35
Ky.	12.63	3.66	1.00	4.36	10.32	8.59	7.66	3.08	65
La.	14.03	3.95	1.08	5.08	11.74	8.80	6.64	2.81	35
Me.	12.28	4.05	1.10	4.41	9.46	7.44	6.49	3.09	35
Md.	10.92	4.53	1.18	4.10	7.45	7.21	7.44	2.94	35
Mass.	17.81	4.57	1.70	4.54	8.45	7.29	10.96	1.66	35
Mich.	12.29	3.22	.89	4.23	12.83	7.42	8.07	2.40	65
Minn.	13.23	4.54	1.22	4.64	3.91	7.29	8.71	3.40	20
Mo.	13.71	4.52	1.21	4.78	9.97	7.80	8.14	3.38	20
Mont.	12.43	2.82	.78	4.31	8.06	5.95	6.96	2.19	65
Neb.	13.14	3.89	1.06	4.59	13.16	8.99	10.37	3.54	35
N. Hamp.	12.66	3.04	.81	4.28	6.36	5.17	5.81	1.90	65
N. J.	11.87	3.52	.89	3.15	6.07	6.88	3.51	2.51	35
N. Mex.	12.08	2.28	.63	4.09	6.07	4.65	5.30	1.70	65
N. Y.	15.13	5.28	1.51	5.46	20.58	11.18	14.36	3.54	10
Okla.	13.19	3.30	.89	4.56	8.79	7.42	8.55	3.20	35
R. I.	12.61	3.19	.87	4.23	5.37	5.11	4.39	1.96	65
S. Dak.	13.27	2.42	.91	4.55	9.08	6.29	7.61	2.54	35
Tenn.	12.82	3.11	.85	4.39	8.19	6.81	8.04	2.56	65
Texas	15.54	2.50	.96	6.02	14.67	7.46	8.76	3.26	35
Utah	13.18	3.61	.97	4.56	6.75	5.50	6.75	2.67	35
Vt.	12.38	2.82	.76	4.19	7.40	5.70	6.15	1.98	65
Va.	10.24	2.39	.79	3.46	9.43	5.82	5.79	2.09	65
Wis.	12.74	4.32	1.15	4.51	3.81	7.76	6.74	3.37	20

†No increase.

*In these states the rates have been approved.

Note: Alaska rates have not been included. The effect of an amendment to the law is now being calculated and the rates for Alaska will be issued later.

CLAUSES IN BLANKET BOND ARE EXPLAINED

Vice-President Lunt of the Great American Answers Inquiry As To Conditions

GIVES NO NEW COVERAGE

Intention Was Not to Extend Any Kind of Protection That Was Not Previously Procurable

A prominent general agent in the west, in response to his inquiry as to the exact meaning of certain conditions appearing in the text of the bankers' blanket bond, now freely written by the majority of the surety companies of the country, received the following informative letter from Edward C. Lunt, vice-president of the Great American Indemnity and head of its bonding department:

1. Just as judges, when doubt arises as to the meaning of a law, have recourse to the intent of the legislators as evidenced by debates in the law-making body, by the occasion for the law, and the like, so we may get a line upon the meaning of our blanket bond by considering what was expected and intended on both sides when the bond was created. The intention was, as I suppose, to combine in a single instrument the protection afforded by the best existing fidelity bonds and burglary and holdup policies.

No New Protection Offered

There was no intention on the part of the bonding companies to furnish, and no expectation on the part of the banks that there would be furnished, any kind of protection that was not previously procurable. The banks had been getting indemnification for losses due to the dishonesty of their officers and employees, and likewise indemnification for losses due to burglary, holdups and the like on the part of outsiders; but they had not been getting dishonesty protection applicable in a large amount uniformly to all officers and employees, and they could obtain the other kind of protection (burglary, etc.) only by taking out separate policies in amounts altogether unrelated to the fidelity-protection amounts.

What the new blanket bond did was to give them both kinds of protection in a uniform and large amount and in a single, comprehensive instrument; but it did not, as stated, purport to embody, nor did the banks expect it to embody, any new, previously not procurable, kind of indemnification. It did not, for example, undertake to indemnify banks for losses due to more negligence unconnected with dishonesty or burglary. Nothing of that kind, I am confident, was ever expected by the banks or ever entered the heads of the underwriters who framed the original blanket bond.

Exclusive Clause Explained

2. You ask us to write a letter explaining what is meant by the clause excluding coverage "for any loss through larceny or theft committed by any person to whom any employee shall have, otherwise than through dishonesty, delivered property or extended credit."

In order to give the banks insurance not only of a comprehensive and uniform but also of a definite and certain nature, the underwriters put into their original form of blanket bond certain words and phrases that afterward proved to be susceptible of a broader interpretation than was warranted by the intent of the contracting parties, as outlined in Section 1 above; and that is why the clause to which you refer, quoted in the preceding paragraph, was inserted in later editions of the form. We found that without such a clause it would be at least theoretically possible for banks to claim indemnity for losses due to pure carelessness or errors of judgment, without any sort of dishonesty on the part of the officers or employees. I will try to illustrate this by two examples as follows:

Suppose the insured bank to be held-

ing, subject to your order, \$25,000 worth of Liberty Bonds belonging to you. You may have left them there for safekeeping or as collateral for a loan recently paid by you, so that the bank is expecting you to call for the bonds any day. A crook learns of the situation, and telephones to the bank in your name, asking it to deliver the bonds to your representative, whom you are sending to the bank for that purpose. The crook then goes immediately to the bank, saying that you have sent him for a package, and the bank delivers the bonds to him. Such a loss would not be covered, because the property was delivered "otherwise than through dishonesty," to wit, through poor judgment or carelessness.

Suppose, again, that a crook goes to a New York bank, with real or spurious letters of recommendation, and opens an account with an initial deposit consisting of \$500 in cash, say, and a check on a Chicago bank for \$1,000 that seems to be the New York bank good, though in fact it is ultimately returned by the Chicago bank as worthless. Before the fraud is discovered, however, the New York bank has credited the crook with \$1,500 and permitted him to draw out that amount. Such a case would not be covered because the bank would have "otherwise than through dishonesty . . . extended credit."

Question of Negligence

3. You ask this question regarding insuring clause "C." Supposing the insured's messenger is ordered to deliver a package of bonds to a broker, under instructions not to deliver them without receiving a certified check of a given amount, and supposing he violates these instructions and delivers the bonds without requiring the check, and the insured bank suffers a corresponding loss. Would such a loss be covered as constituting "negligence" under clause "C?"

This may seem a somewhat difficult question at first, but the answer may be found, I think, in the considerations embodied in Section 1 above. Protection of this kind was not procurable, as I suppose, when blanket bonds were first issued, and no protection of that kind was in the minds of the contracting parties at the time, as I suppose. This in-transit clause, as clause "C" is called, was intended to protect the insured against holdups of the usual and well known type, and the reference to negligence in the clause was made, as I suppose, in order to make the insurance certain and to make it clear that liability would be assumed by the surety even if the employee held up had been guilty of carelessness in connection with the incident—had carried the package of securities in plain sight, for example, instead of within an inside pocket, or had needlessly exposed himself to danger by mingling with a crowd over some diversion instead of going directly to his destination.

The consideration of negligence, in my judgment, was intended to be inseparable from the incidents of the holdup, and it was no part of the purpose of the underwriters to cover losses due to pure negligence unconcerned in any way with a robbery or holdup.

4. All this is my own idea of the situation, and perhaps other underwriters hold different views. Points such as you raise have frequently come up in our blanket bond experience, and they can be reasonably and satisfactorily disposed of, it seems to me, only in accordance with some such theory as I cite in Section 1. I am venturing to send a copy of this letter to a few expert blanket bond underwriters, on the chance that it may be of interest to them; and if any of them should hold views inconsistent with the foregoing, and should be good enough so to advise me, I will tell you frankly what the opposing arguments are. I have no desire, of course, to answer your questions from a biased standpoint or to give you any opinions except such as shall be supported by reason and justice.

Pass on Agent's Status

LINCOLN, NEB., June 15.—The Lancaster district court here decided a case that has attracted wide interest among life, health and accident men. He reversed the decision of Compensation Commissioner Kennedy that an agent of such companies, whose pay consists of commissions with possible advances, comes under the compensation law. B. B. Priest, agent for the Business Men's Protective, was killed while soliciting business in South Dakota. His wife claimed compensation, which was allowed by the commissioner but denied by the court. The case will be appealed to the supreme court.

WORKMEN'S COMPENSATION

IS UNDER COMPENSATION ACT

Michigan Supreme Court So Classifies Life Salesman Working Under Direction of Agency Manager

LANSING, MICH., June 15.—A third and final decision has just been rendered by the Michigan supreme court, holding in a lengthy opinion the same position as was previously expressed in mere denials, that William Balmer, a Lansing agent of the American Life of Detroit, was actually an employee within the meaning of the workmen's compensation act when he was killed in a crossing accident Nov. 10, 1924, while on his way to interview a prospect.

The decision sets a precedent in placing all agents of a life company who are under agency managers within the scope of the compensation act. The company has held that Mr. Balmer was an independent contractor but it was brought out at a hearing on the compensation claim that Balmer was acting under instructions of his superior in the Lansing agency, and that to that extent he was not an independent contractor. This view was evidently shared by the supreme court.

Constitutional Question Raised

The question raised by the company as to the constitutionality of the act, the court held, was effectually answered by the fact that it accepted provisions of the act some time ago and has been operating under it and enjoying its benefits. In similar cases of this sort, it is cited, the U. S. supreme court has held that there existed no basis for constitutional attack by an individual firm on such a law when it was of an elective and voluntary character and still had been accepted by the protesting concern. It is a matter of record, of course, that the American Life accepted provisions of the compensation act several years ago, listing at that time, however, only some 50 home office employees as coming under its provisions. The fact that only a limited number was listed is not considered as limiting the acceptance of the act's provisions, however.

Whether or not an appeal will be taken by the American Life to the United States Supreme Court appears to be problematical. There was a report earlier in the progress of the case that such action was contemplated.

Will Increase Rates

NEW YORK, June 15.—It is estimated that the amendments to the state workmen's compensation law, which become effective Oct. 1, next, will increase the present cost of indemnity about 3 percent. Companies are now preparing their classifications for presentation to the Compensation Rating Board preliminary to a review.

Heaberlin Heads West Virginia Fund

CHARLESTON, W. VA., June 15.—Charles L. Heaberlin of Beckley is the successor to Lee Ott as commissioner of the West Virginia workmen's compensation fund. When Governor Gore sent in his final list of nominations to the senate, meeting in special session, Mr. Heaberlin's name was on the list, and until then no one had the slightest idea who would get the \$6,000 job. Most strenuous efforts had been made to get the governor to reappoint Lee Ott, who had been connected with the work since its inception in 1913, but the governor had been inquiring into the methods of that administration and he was not satisfied and felt that a change would be beneficial. The report of the special committee of the legislature which had investigated the department was highly complimentary to Lee Ott and his administration, but that report did not change the opinion of the governor. Mr. Heaberlin is an experienced insurance man, being vice-president and general manager of the Home Insurance Agency of Beckley.

DECIDE COMPENSATION CASES

Number of Decisions Have Been Made in Points of Dispute Over Claims Arising

Appellee was awarded compensation for death of her husband who died of tetanus. Evidence that decedent went to the first aid nurse of employer for treatment of his fingers and told her that he had them burned by cleaning fluid a few days previous, while at work, and that she made a report of the injury and dressed the fingers, and testimony of the foreman that she had reported the matter to him, was sufficient to support finding of the board that he suffered the injury while at work. Testimony of the doctor that suffering such an injury, causing an abrasion, and thereafter an attack of tetanus, that there was presumptive evidence that the abrasion from the injury induced the infection, sustained the finding. *Columbian Enameling & Stamping Co. vs. Cramer*, App. Ct. Ind.

Where a sudden strain caused by shifting of a machine in a pressroom caused a strain on the muscles of claimant's heart, held that this arose out of and in course of his employment and was sufficient to sustain the award of the commission, provided the provision of the act as to notice had been properly complied with. *Mellquist vs. Dakota Printing Co.*, Sup. Ct. S. D.

Held that the burden is on applicant to establish his claim that an injury in the course of his employment has resulted in the complete and permanent loss of use of an eye, and such claim is not established where physicians testify that the employee can read with the eye, that it shows no evidence of traumatic injury or scar, and that the abnormal condition of the eye is due to some systemic disease and existed prior to the alleged injury. *Equitable Coal Co. vs. Industrial Commission*, Sup. Ct. Ill.

Held that the workmen's compensation act, by a reasonable exercise of the police power, restricts freedom of contract between employer and employee in regard to compensation for injuries or death in the course of a hazardous employment, and the provisions of the act cannot be ignored and a settlement made between injured employee and his employer without approval of the Industrial Commission. *Zurich General Accident vs. Industrial Commission*, Sup. Ct. Ill.

Held that a finding of permanent total disability is not justified by the evidence where the testimony of employee himself and of two physicians indicates that he is able to do some light work which he has never tried or had opportunity to do, and where evidence of his actual condition does not exclude the possibility of his being able to do light work, although it shows that he will never be able to do his accustomed work. *Consolidated Coal Co. vs. Industrial Commission*, Sup. Ct. Ill.

Held that where the question is raised that an employee at time of his alleged injury was outside the jurisdiction of the state, which extends to the low-water mark of the Ohio river, the low water mark may be shown by testimony of experienced rivermen to be beyond the point where employee was working, in accordance with their recollection of various stages of the river; but such witnesses should not be permitted to testify that they understood or heard that the structure upon which employee was working was built out to meet the low-water mark, as such testimony is

hearsay. *Joyce-Watkins Co. vs. Industrial Commission*, Sup. Ct. Ill.

Held that an injury received by an assistant cook while returning from an express office, where he was sent by his superior to fetch kitchen laundry, is received within the course of his employment and it is immaterial whether the laundry contained articles of kitchen apparel furnished by the employees or articles supplied by the employer. *Threlkeld Commissary vs. Industrial Accident Commission*, Ct. of Appeals, Calif., 1st Dist. Div. 1.

Where claimant was employed to saw several cords of wood for the railroad and was injured while so doing, held that his employment was casual and an award would be set aside. *Chamberlain vs. Central Vermont Ry. Co.*, Sup. Ct. Vt.

Where an employee was found injured during the hours of his employment, but at a place other than his employment called for, held that an award would be reversed as it can be based only on an injury received during the course of employment. *Norris vs. N. Y. Central R. R. Co.*, N. Y. Sup. Ct., App. Div., 3rd Dept.

Where an agricultural society was not conducted for pecuniary gain, held that an employee thereof was not entitled to beneficial provisions under the workmen's compensation act. *Finkell vs. Cobleskill*, Sup. Ct., App. Div., 3rd Dept. N. Y.

Held that the clause in section 26 of the workmen's compensation act, providing that the death of the employee, or any other person, shall not abate any right of action established by said section, in the light of the purpose of the act, must be construed to apply to those persons whose right and liability is newly established by the act and which were nonexistent prior thereto, and as to the right to recover damages for personal injury is not a right of action established by the act, but a common right established long before adoption of the act, section 26 thereof does not authorize the continuance of an action to recover damages for personal injuries after the death of a negligent third party by the substitution of his personal representative. *De La Torre vs. Johnson*, Sup. Ct. Calif.

"Horseplay" Injuries not Compensable

HARTFORD, June 14.—That "horseplay" is no part of a man's daily labor is the ruling of Compensation Commissioner Noonan in his dismissal of the claim of Harold Nelson of Collinsville, Conn., against the Pratt & Whitney Manufacturing Company and the Aetna Life. Nelson, a mailboy in the Pratt & Whitney plant, was injured in "horseplay" with a fellow employee in an elevator shaft. He was incapacitated for two weeks.

The commissioner ruled that the claimant's work was not of a nature to require his presence at the elevator shaft. Curiosity and not duty was the cause of his disability and it did not arise out of or in the course of his employment.

Initiate Monopolistic Measure

BOSTON, June 14.—The first move of the Massachusetts state board of the American Federation of Labor toward submitting to the voters the question of whether the state shall have a monopolistic state workmen's compensation law is a request filed with the attorney general for an initiative petition to be placed on the state ballot.

If sufficient signatures are obtained the subject must be presented to the 1928 legislative session. If the petition is rejected the petitioners may, by obtaining 5,000 additional signatures, have the matter submitted to the voters by referendum at the state elections of 1928.

Self-Insurance for National Guard

RICHMOND, VA., June 14.—The state military board of Virginia was scheduled to hold a meeting this week to consider the question of placing members of the national guard on a self-insured



Doctors Appreciate the Ætna Plan

THERE is probably no profession that demands so much of its members as the medical profession. Their time is at a premium. Consequently they are often reluctant to devote much time to discussing insurance matters.

¶ The Ætna-izer, however, is rightly considered in the light of an insurance counsellor. This is particularly so because of the Ætna Plan. Once a doctor's needs are surveyed, the Ætna-izer can not only recommend the coverages necessary to meet present conditions, but can also keep the protection up-to-date.

ÆTNA-IZE



*It Certainly Pays
to be an Ætna-izer!*

Ætna Policies for Doctors

PROFESSIONAL LIABILITY	AUTOMOBILE
FIRE	EXPLOSION
	TORNADO
COMBINATION RESIDENCE	
WATER DAMAGE	RENTAL VALUE
CHECK ALTERATION AND FORGERY	
PERSONAL EFFECTS	RADIUM
LIFE	ACCIDENT HEALTH DISABILITY

ÆTNA LIFE INSURANCE COMPANY

and affiliated companies

ÆTNA CASUALTY & SURETY CO. AUTOMOBILE INSURANCE CO.
of Hartford, Connecticut

basis under the workmen's compensation act. At its last meeting, one of its five members suggested that this plan be tried out in the interest of economy. Although the remaining four members were reported to have looked with disfavor on it, they agreed to give the matter consideration. A ruling was sought from the attorney general as to whether a state fund plan would be legal and he gave it as his opinion that it would be. For the past year members of the national guard numbering 4,000, all told, have been insured in the Zurich. For several years previously, it was a mooted question as to whether the guardsmen came within provisions of the act or not. The legislature of 1926 removed all doubt on this score by passing a bill placing them directly under the act.

BURGLARY INSURANCE

PLACES MEMBERS' INSURANCE

National Association of Retail Clothiers and Furnishers Will Establish Department to Handle Burglary

At the meeting of the National Association of Retail Clothiers & Furnishers in Chicago last week, the insurance committee decided to establish an insurance department to handle burglary coverage for members of the association. The plan is to offer burglary insurance written by one of the large insurance companies. Executives of the association disclaim any intention of going into the business of forming any separate company. The purpose of the proposal is to group the burglary insurance of the members and secure group benefits resulting from bulking the policies in one company as well as securing coverage for many retailers who have been unable to get such insurance in the past because of inspection requirements or other obstacles. The plan contains a provision whereby the policy may be written through a local broker where the retailer so desires.

Several insurance companies have presented proposals. As yet there has been no choice, but the proposal looked upon with most favor will mean a saving of at least 25 percent on the burglary risks, according to Charles E. Wry, executive director. In addition the plan will mean the elimination of the coinsurance clause and will enable members to get policies for amounts as low as \$1,000. It is estimated that policies from members of the association will total at least \$5,000,000. The association plans to establish a regular insurance advisory service. The insurance committee also decided to look into the possibility of effecting coverage for the merchants in fraud insurance.

Herman L. Ekern, insurance attorney, who served a term as attorney general of Wisconsin and also a term as insurance commissioner of that state, has been engaged by the committee to advise and work with it on the group policy and other insurance problems.

New Amsterdam Stock in Demand

BALTIMORE, June 14—A flood of buying orders in New Amsterdam Casualty last week shot the stock up to 72½, the highest level the shares have ever attained. Practically all the purchasing was for account of New England investors. The volume of transactions was the largest for a single day in the history of the company.

Par value of New Amsterdam Casualty is \$10 a share. At the high level the stock commanded a premium of 622 percent. Paying dividends at the rate of 27 percent, the net return on New Amsterdam at the price is less than 3.75 percent. Since Jan. 1 New Amsterdam Casualty has advanced 18½ points.

As usual when a big buying movement develops, the air was thick with rumors. These had to do with buying for control, increase in the dividend rates, stock rights and merger. President J. Arthur Nelson promptly and emphatically denied all the reports.

United States Fidelity & Guaranty stock also jumped 20 points to 280, a record price.

ACCIDENT AND HEALTH

CLAIM ASSOCIATION PLANS MUST STAY WITHIN POWERS

Innovation in Form of 30 Three-Minute Talks Proposed for Annual Meeting in Toronto, Sept. 12-14

An innovation of rather unusual character is planned for the annual meeting of the International Claim Association to be held in Toronto, Sept. 12-14. It will take the form of 30 three-minute talks by men from all sections of the country and representing all classes of companies, on questions that frequently come up for consideration by claim men. The time limit imposed will make it certain that only the essential points on each topic will be brought out and it is believed that some very valuable information can be elicited in this way.

Preliminary plans for the meeting were outlined at a conference in Chicago attended by H. S. Bean of the Eastern Casualty, president of the Claim Association; A. W. Pettit, Federal Life, secretary of the association; C. O. Pauley, Great Northern Life, chairman of the program committee, and Dr. J. B. Jack of Chicago, who will have charge of the medical end of the program. Dr. Jack is hoping to secure Dr. H. W. Dingman, medical director of the Continental Assurance of Chicago, to conduct a symposium along the line of the one which proved so popular at the meeting of the Medical Section of the American Life Convention in Chicago.

There will be five formal addresses but none of the speakers have been definitely selected as yet.

'CANCEL HEALTH, START OVER'

Procedure Is Suggested as Solution of Poor Business Conditions That Now Obtain

"Cancel all policies and start over" is the radical solution of the health business problem suggested by a representative of a prominent company writing the health line. His view is not held by any other casualty men interviewed in a survey just made, though some are verging toward it. This man relates the problem to faulty underwriting methods, and holds that until health coverage is sold by the companies instead of bought by the public conditions will remain about as they are.

"Proper agents are needed, and proper investigations must be made before policies are issued," the informant said. "This business has grown faster than its management has grown, with the results you see. The moral hazard in health business is not considered by many writing this business. More, financial men, not underwriters, are guiding sales in many places and are trying for volume instead of profit. Smart management is needed by the company that wants to break even on this business." And though he did not say it, the speaker implied that smart management in the departments handling health for some companies is greatly lacking.

Representatives of other companies report accident business currently good and in the main sound, but report varying efforts to keep health business down to a negligible item. Means for effecting this vary from not trying for this business to extending the period that must lapse before payment begins. But all are agreed that these are makeshifts and contain no final solution of the problems involved.

Commercial accident and health business is reported especially good, though the stress is on the accident line. Reports of better business in the first quarter of this year than in the first of last are common, and expectations are for still better business as the year progresses.

Commissioner Mallison Warns Against Extending Accident and Health Policies to Include Life Insurance

CHARLESTON, W. Va., June 15.—Commissioner Mallison has issued a ruling against the inclusion of life insurance in accident and health contracts. The ruling in part states: "It has come to the attention of this department that certain casualty companies in this state writing health and accident insurance, which are licensed only as casualty companies by this department, are including in their policy forms a death benefit not only from accident but from natural causes of from \$50 to \$100. Also in certain group policies they are attaching a rider providing for death benefits from natural causes to dependent members of the family.

Constitutes Life Insurance

"In the opinion of this department death benefits from natural causes or disease are life insurance and not health and accident insurance such as casualty companies are entitled to write. This department, however, has no objection to a casualty company writing health and accident insurance to include in its policy a paragraph provided for a post mortem sick benefit not to exceed \$100 for the death of the assured from either accident or disease. Casualty companies, however, are not permitted to include in these policies a death benefit from disease upon the wife of the assured or any of the dependent children. Life companies competing with casualty companies in purely health and accident insurance must conform to the same rules as casualty companies. If a life company desires to write life insurance in any of its group policies on the wife or dependent children of the assured in addition to health and accident policy, the same must be covered by a separate rider or policy as life insurance and be paid for separately by an additional premium therefor for each person so insured."

Hearing on Litigation

Recently the Pennsylvania insurance commissioner applied to the Dauphin county court for permission to liquidate the Ministers Protective of Meadville, Pa. It was found to be insolvent after an examination. The court finished taking testimony May 26 and set June 21 as the date for hearing arguments. At the same time the court laid down the following rules and regulations to the society:

"It is to collect premiums from the present members but not to solicit or write any new business. It is to pay no losses or salaries except salaries of clerks and stenographers."

In the opinion of the insurance department there is no doubt as to its insolvency and it is the sentiment of the department that the court will order it liquidated.

Demonstrates His Own Line

Max Ackerman, special agent for the accident department of the Aetna Life, while engaged in a game of golf with John Mullaney, local agent at Gardner, Mass., suffered a broken ankle and was laid up in the Gardner hospital. This was the first actual demonstration Special Agent Ackerman participated in himself as to the practical need for accident insurance.

Sends Out Staff Adjusters

In furtherance of the plan to have its staff adjusters at strategic points throughout the country, the Federal Life of Chicago has recently assigned L. M. DeWitt to take charge of that work in Philadelphia and W. J. Connell in Dallas, Tex. Both are attorneys and have been connected with the home office claim department of the Federal Life for some time. The Federal Life already has

three staff adjusters at important points, in addition to the two just named, and it plans to extend the system throughout the country. Noel A. Diamond, formerly with the American Service Bureau and well known among both life and accident men, is joining the home office claim department of the company.

Philadelphia "Enquirer" Policy

The Federal Life of Chicago has closed a contract with the Philadelphia "Enquirer" for the sale of its newspaper travel accident policies and is already receiving a big volume of applications from that paper.

Sentinel Life Enters Maine

E. C. Moran & Co. of Rockland, Me., have become state agents of the Sentinel Life of Kansas City for both life and accident business. Maine is the first of the New England states that the Sentinel has entered.

Licensed in Indiana

The Equitable Life & Casualty of Chicago, writing accident and health insurance exclusively, has been licensed in Indiana. The company is now operating in Indiana, Illinois, Kentucky, Colorado and California. J. W. Bain is president.

Accident Case Decided

Held that where there was no provision in a policy of accident insurance requiring that total disability must result and continue from the date of the accident, it was not error to refuse to give an instruction telling the jury that the plaintiff could not recover for total disability caused by appendicitis developing two days after the accident. *Mid-Continent Life vs. Chappell*, Sup. Ct. Ark.

Heads Toledo District

Lester Campbell has been made district manager for the Massachusetts Bonding & disability division at Toledo, O. Mr. Campbell was formerly in the office of Roy Kohlhausen at Columbus.

Pass on Agent's Status

LINCOLN, NEB., June 15.—The Lancaster district court here decided a case that has attracted wide interest among life, health and accident men. He reversed the decision of Compensation Commissioner Kennedy that an agent of such companies, whose pay consists of commissions with possible advances, comes under the compensation law. B. B. Priest, agent for the Business Men's Protective, was killed while soliciting business in South Dakota. His wife claimed compensation, which was allowed by the commissioner but denied by the court. The case will be appealed to the supreme court.

Kelly Joins Brooklyn Agency

NEW YORK, June 15.—William J. Kelly, who resigned as resident vice-president in this city of the Maryland Casualty some months ago, has secured an interest in the C. H. Bainbridge Corporation of Brooklyn and has been elected its vice-president. The Bainbridge Company is one of the leading fire and casualty agencies of Brooklyn and has the representation of a number of prominent companies.

To Declare Stock Dividend

Lewis-Dewes & Co., of Chicago, who sold the 45,000 shares of National Casualty stock following the announcement that arrangement had been made to extend the operations of the company so that it could engage in multiple casualty lines state that \$100,000 will be issued to the original subscribers in the form of a 50 percent stock dividend. The capital is increased from \$200,000 to \$750,000.

Markham & Co. Made General Agents

W. H. Markham & Co. of St. Louis have been appointed general agents of the Constitution Indemnity for St. Louis and adjoining Illinois counties. This appointment, made by the western managers, Blackwell & Douglass of Chicago, gives the Markham agency valuable additional facilities to handle its large and rapidly growing casualty business.

BANKERS INDEMNITY INSURANCE COMPANY

In 1827 heavy accident judgments were rare, hence there was no demand for liability insurance. That was one hundred years ago.

In 1887, about the time liability insurance was first sold here, policies carried limits of \$5,000/10,000. That was forty years ago.

In 1927, now, we are confronted with the record of verdicts greatly exceeding the limits of forty years ago, while the dictionary description of insurance, "making oneself safe against something" stands as an accusation against those by whom insurance is provided.

The minimum or basic limits sold by this Company are \$7,500/15,000 for personal injuries and \$1,500 for property damage.

Be a 1927 agent. Sell "Bankers Indemnity" policies and increase your clientele.

Operating in the following States:

Connecticut	District of	Michigan
Rhode Island	Columbia	Illinois
New Jersey	Maryland	Indiana
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PLATE GLASS — ACCIDENT & HEALTH**

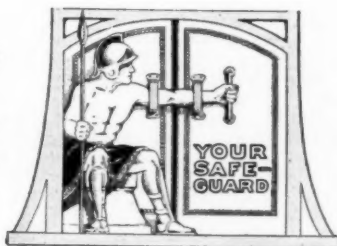
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Greater
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We believe that a satisfied client is
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Before making a definite connection for writing Life, Accident and Health Insurance let us have the opportunity of explaining what the Washington Fidelity National Life has to offer ambitious men.

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PRESIDENT

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CHICAGO

AMONG SURETY MEN

BUREAU ISSUES NEW RATINGS

Towner Organization Determines Character and Cost of Iron and Steel Construction Bonds

NEW YORK, June 15.—To avoid the confusion that has existed heretofore in determining classifications under iron and steel construction bonds, the Towner Rating Bureau has issued new ratings clearly defining the character and rate for each. It has further promulgated a rate covering "consents or bonds for advance payment of retained percentages on contracts before completion and payment of all labor and material bills; or in advance of date set by contract or law for final payment; or where payment is otherwise delayed by litigation, tests, or other causes." The rate is 1 percent of the amount paid in advance.

Action Manifestly Equitable

This action, taken at the suggestion of the contract bond committee of the Surety Association of America, is manifestly equitable, in that companies consenting to advance payments will derive some premium for the hazard. While in a large percentage of cases contractors securing payments before the completion of work promptly settle all charges against the contract, occasionally some default, and surety companies are left holding the bag.

Would Change Wisconsin Law

MADISON, WIS., June 14.—Surety companies operating in the state are supporting a measure in the Wisconsin legislature which would permit them to write public official bonds at current rates instead of at the rate of one-fourth of 1 percent or \$2.50 per \$1,000 as now required by the law. When the statute was passed setting the rate at one-fourth of 1 percent it was in accord with manual rates, but since then the rates have changed.

Another bill is in the legislature relating to the amount of the surety bond for town treasurers. Under the present law the town treasurers must have a surety bond covering the "whole" amount of money they handle during the year. The new bill would change this by striking out the word "whole" and substitute "as much as he ever will have at one time."

Can't Recover on Appeal Bond

LINCOLN, NEB., June 14.—Litigants who settle cases where the judgment they have secured has been appealed from can not recover from the surety company that signed the appeal bond merely because in the settlement they did not secure all they thought they were entitled to get. This is the decision of the supreme court in refusing Henry A. LeVigne of Lincoln recovery from the United States Fidelity & Guaranty on an appeal bond to guarantee against loss, during pendency of foreclosure proceedings in supreme court, from waste and to pay the costs. The court said the settlement by LeVigne with his judgment debtor barred all right to recover on the bond.

More Nebraska Road Contracts

LINCOLN, NEB., June 14.—The state department of public works will open bids June 30 for 268 miles of new gravelled highways, 123 miles of second coating of gravel and 68 miles of graded roads. The cost will run beyond \$750,000. The work is distributed over 43 counties and will largely link up a number of surfaced highways now in use. This will bring the total of contracts for the year up to around \$5,000,000, which has given surety companies a fine business for the first half year.

Bank Teller Admits \$14,600 Shortage

KANSAS CITY, KAN., June 14.—A shortage of \$14,600 was discovered last week when the books of Charles J. Crawford, teller of the Commercial National Bank of Kansas City, Kan., were

checked following his disappearance. He returned after two days and confessed to the embezzlement. Crawford was bonded by the National Surety for \$50,000. He said drinking and gambling were responsible for his misappropriation of the bank's money.

Judgment on More Seizure

ST. LOUIS, June 14.—A judgment for \$6,000 in favor of Patrick J. Higgins against Edward L. Stanton, a constable of St. Louis county, and the American Surety, surety on Stanton's official bond, was affirmed by the St. Louis court of appeals.

The judgment is based on the value of 15 barrels of wine seized by Constable Stanton in a raid on Higgins' home. Higgins was prosecuted for making and illegally selling liquor, but the

case against him was dropped. He then filed a civil suit to recover the value of the property taken from him.

Directors Held Liable

Directors of the defunct Citizens Trust Company at Gorin, Mo., were held liable for money deposited in the bank while they were in charge, a jury in the circuit court at Kirksville, Mo., held in the suit of A. R. Leslie, guardian for E. W. Leslie, to recover \$4,303 on a deposit in the bank when it closed in 1925. Similar suits for \$43,000 are pending against the directors. It is alleged that the bank was unsound from the date of the reorganization of the old Citizens Bank and that the directors knew its condition.

J. B. McCutcheon, G. C. Hill and John L. McNatt, who are among the defendants, were officers and directors of the defunct Interstate Casualty of St. Louis, which had \$121,000 on deposit in the bank and also held \$25,000 of its stock. The affairs of the defunct bank and the insurance company were closely interwoven.

PERSONAL GLIMPSES OF CASUALTY MEN

Frank A. Timby, head of F. A. Timby & Sons, general agents at Salt Lake City for the Preferred Accident and the Pacific Mutual for many years past and one of the most widely known insurance agencies in the state, especially in the health and accident field, died in a hospital there Friday following an operation. He was born in New York state 64 years ago, but spent the greater part of his early life in Detroit. He went to Salt Lake City in 1895 and at once engaged in the insurance business. Mr. Timby was a big personal producer of business for his agency.

The annual outing and picnic of the Ocean Accident and Columbia Casualty office and field force in the Chicago territory will be held June 18 at Calamus Lodge on the Fox River, the country home of Joseph E. Callender, the manager. The Chicago office will be closed all that day.

J. M. Hogle of Chicago, manager of the western service department of the American Employers, is back at his office after a number of weeks absence due to an infection in his ankle. Mr. Hogle has been through a difficult and serious experience. It is supposed that this infection is an aftermath of a case of inflammatory rheumatism he sustained some years ago. He is now able to get about on crutches, but it will be some time before he can navigate without the aid of some artificial help.

Frank M. Chandler of Chicago, vice-president in charge of the western department of the New York Indemnity, will move his family from Indianapolis some time the middle of the summer. Mr. Chandler has been out in the field considerably and recently has been traveling in Indiana visiting the agents. Last December his son met with a very serious automobile accident. His skull was fractured and he was in a critical state. There were operations performed resulting in approximately five ounces of brain tissue being removed. The boy has fully recovered, is back in school, in a normal state and seems no worse for wear.

A. J. Lonargan, agency manager of the Equitable Life & Casualty of Chicago, has just returned to his office from a month's absence due to an operation for appendicitis. Mr. Lonargan has now virtually recovered from his operation.

Carroll E. Robb has been appointed associate manager of the automobile department of the United States Casualty of New York. Mr. Robb has had extended experience in automobile underwriting, and although out of the business for a time he has yet managed to



CARROLL E. ROBB
Back With U. S. Casualty

follow closely its development and hence is well versed as to its present day problems. His active reentry into the line will be cordially received by local agents in all sections of the country to whom Mr. Robb is well known.

J. B. Sackett, veteran accident and health man of the central west, who figured conspicuously in the Health & Accident Underwriters Conference and its predecessor, the Detroit Conference, is visiting some of his old haunts in Chicago and other points. He is now located in Los Angeles.

The Noon-day Nockers of Chicago held their annual election and golf tournament at Itasca country club last week. The Nockers are a group of casualty men who meet for luncheon once a week when they go over their troubles with the rating bureau. George F. Gehrke, who recently became western manager of the Century Indemnity, is the retiring president. F. H. Bradley of the Zurich is the new president, A. L. Stokes, Commercial Casualty, is vice-president and Elmer Sanderson, Fidelity & Casualty, secretary. In the golf tournament E. W. Robinson of the Phoenix Indemnity won the prize for low gross.

Vice-President and General Manager Herman A. Behrens of the Continental Casualty at Chicago left Wednesday of this week for San Francisco to spend the summer at his newly-acquired place there. Mr. Behrens will return early in September. He has purchased a very desirable residence in that section.

PLATE GLASS INSURANCE

DISLIKE NEW COMMISSION

Chicago Casualty General Agents Protest the Action of the National Agency Commission

With the decision of the national agency committee of the casualty companies to put 30 percent as the commission to brokers and sub-agents in Chicago on plate glass it means that the general agencies receiving 35 percent cannot possibly come out even on a 5 percent margin. Plate glass is one of the most expensive lines to handle. General agents figure on 7½ percent margin to allow them to break even on their expenses. This however is the average on all casualty lines. With plate glass it would be higher. The business will likely be diverted to the branch offices. Most of the Chicago general agents are protesting against this action claiming that the company committee put the new figure into effect without consulting the Chicago Casualty Underwriters Association.

FIDELITY & CASUALTY MAKES FIELD CHANGES

E. L. Stephenson, formerly district agent of the Fidelity & Casualty at Lansing, Mich., has been transferred to take charge of the district office at Flint, Mich., succeeding S. L. Hartwell, resigned.

Clair B. Winchel, formerly associated with the Grand Rapids office, has been assigned to the office in Lansing, Mich., as district agent.

James F. Kelly is now superintendent of the city department of the Fidelity & Casualty Detroit branch office. Mr. Kelly began his insurance career with the Detroit office, and after three years' experience moved to California, where he became associated with the company's Los Angeles office. Recently he returned to Detroit and again takes up his duties with the Detroit branch.

Robert E. Wetherill, for the past two years special agent in the Michigan territory, has been transferred to northern New York, working under the direction of the Buffalo branch.

Insurance Required in Colorado

The time limit for bus and truck operators in Colorado to file their public liability and indemnity insurance policies has been extended to Aug. 1.

Under a new Colorado law passed by the last legislature all busses must have liability insurance and all trucks cargo insurance.

Last Compulsory Bill Beaten

MADISON, WIS., June 14.—The last of the compulsory automobile liability insurance bills in the Wisconsin legislature has been defeated and it is believed that there will be no more agitation at this session on compulsory automobile insurance. The assembly voted down the Schauer compulsory bill by a vote of 61 to 11 and refused to reconsider the vote. This was the last of a reported total of nine such bills, six of which were defeated and the other withdrawn.

Opens New Kentucky Office

Felix Dumas of Louisville has opened a district office for the Metropolitan Casualty at Madisonville, Ky. The company handles mining compensation and the district office at Madisonville will have all the counties south of Louisville as its territory. C. W. Perkins of Madisonville has become superintendent of safety work for the company in the Madisonville district.

R. H. Bronk Resigns

Richard H. Bronk, manager of the New York Indemnity at Detroit, has resigned. Mr. Bronk was formerly with the Travelers and before going with the New York Indemnity was assistant manager of the Travelers in Detroit.



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Administration Building

Power Plant Print Shop Garage

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Celebrating the beginning of its Twenty-fifth Year.
Wonderful Prize offers and Home-Coming.
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Write Home Office for liberal contracts.
Available territory in thirty-five states
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UNDERWRITING LOSS ON CASUALTY LINES SHOWN

TOTAL OVER NINE MILLION

National Bureau Gives Figures on Profit or Loss for Year for Various Classes

NEW YORK, June 15.—From tabulated returns by the National Bureau of Casualty & Surety Underwriters, the casualty and surety business last year yielded an underwriting loss of \$9,346,943 on total earned premiums of \$534,247,353, the figures being supplied by 43 stock offices, members of the bureau.

Classified as to lines the underwriting loss in 1926 was as follows: Accident, \$349,089; health, \$2,615,096; automobile liability, \$1,329,073; general liability, \$3,141,399; compensation, \$11,675,092; fidelity, \$602,987; engine, etc., \$238,372; automobile property damage, \$630,834; automobile collision, \$725,221; sprinkler leakage, \$14,554.

As an offset, these classes supplied profits as here shown: Surety, \$6,926,505; plate glass, \$2,200,004; burglary, \$2,003,716; steam boiler, \$198,660; other property damage and collision, \$134,234; credit, \$481,948; miscellaneous, \$65,716.

The aggregate production expense on all lines amounted to \$139,727,647 or 26.2 percent.

New Reciprocal Going

The Highway Casualty Underwriters, a reciprocal of Chicago, which was licensed in January, is now writing all lines of automobile insurance. Roy Lind, the attorney-in-fact, has been a broker for about seven years. The bulk of its business is that written by Mr. Lind. He is operating under a 25 percent acquisition cost contract. It is writing liability, reinsuring down to \$2,500. It does not intend to write fire, theft or collision, the first year.

Appointed District Managers

Faulhaber & Heard have been appointed district managers for northern New Jersey of the Constitution Indemnity. The firm's offices are in the Essex building, Newark. The firm represents a considerable group of strong companies.

'Better Bank Examinations Needed

NEW YORK, June 14.—Surety underwriters are in complete accord with the declaration of the National Association of Credit Men at its recent convention at Louisville, in favor of a more intelligent and vigorous examination of banking institutions by state departments, pointing out that in 1926 no less than 820 state banks had suspended, as against 126 national bank failures.

The Kansas City branch office of the United States Fidelity & Guaranty has leased the entire tenth floor of the new Midland office building and will move into the new office about Oct. 1.

OPPORTUNITIES

POSITION WANTED

In Chicago or Midwest. Three years experience as casualty special agent, five years experience as compensation and liability underwriter. Now employed. Good references. Age 29. Married. Write B-12, Care The National Underwriter.

WANTED

BRANCH MANAGERSHIP OR AGENCY SUPERVISION several states headquartered Detroit or Chicago. Ten years underwriting and agency experience all casualty lines including bonds. Married, well educated, pleasing personality, aggressive, best of references, large acquaintance. Now employed as manager. What have you to offer? Address B-19 Care The National Underwriter.

FORGERIES COST MORE THAN \$200,000,000 YEARLY (CONTINUED FROM PAGE 39)

It was only when a check overdraw the account and the bank called up the concern that the forgery was discovered. The checks presented for payment totaled \$35,400, while those on which the cash was secured amounted to \$27,400. The bank was one of the largest in Chicago. The case has not been in the newspapers.

Likeness Was Perfect

While many frauds are worked without even a good copy of the genuine checks, sometimes the likeness is perfect. In a series against the Ohio Bell Telephone Company the cashier of the telephone company had to put a small cross in the corner of genuine checks in order to be able to tell them from the forgeries.

Over 90 percent of forgery losses fall upon the depositors and not on the banks. The bankers' blanket bonds protect the banks but not the depositor. On the other hand a depositor's bond protects both the depositor and the bank, so that a depositor does not have his bank relations disturbed by subrogation proceedings of the insurance company against the bank.

Promotes Shrine Movie Pageant

John H. Doherty, director of agencies of the Constitution Indemnity and treasurer of the Shrine Club of Philadelphia, was in Chicago last week assisting in promotion of the Hollywood Motion Picture Pageant to be staged in conjunction with the Imperial council session of the Shrine at Atlantic City, June 16-18. Mr. Doherty went to Chicago to meet the special train carrying the Hollywood delegation to the east and to consult with Harry D. Brown, electrical genius of the motion picture industry, who is in charge of the mechanics of the pageant. Mr. Doherty assisted in entertaining the screen people while they were in Chicago and with them attended a special luncheon and a special dinner in Chicago. In the Hollywood delegation were Warren Kerrikan, Dorothy Phillips, Ben Turpin, Mary McAllister, Ruth Clifford and about 25 others.

Takes Commercial Casualty in Richmond

William F. McEathern, formerly agency director of the Atlantic Surety of Raleigh, N. C., who has been appointed manager of the Richmond office of the Commercial Casualty, will have supervision over Virginia and North Carolina.

Ask \$100,000 for Boy's Death

LANSING, MICH., June 14.—As the outcome of an accident which fatally injured a minor employee Oct. 7, 1925, suit for \$100,000 damages has just been filed here against the Reniger Construction Company, building contractors. Mildred Bennett, administratrix of the estate of Lowell H. Cramer, has brought the action, charging the company with responsibility for the death of Cramer, who, being under age, was not included under provisions of the state workmen's compensation act.

Cramer was fatally hurt when a board fell in construction of the Hotel Olds here, striking him on the head. According to officials of the construction company, the youth was hired by his father, who was acting as an assistant superintendent of the construction job. The suit, however, is being brought by the youth's mother, who has been divorced from the father for a number of years.

The compensation law was amended at the recent session of the legislature to preclude suits of this sort in the future, as its provisions were extended to include minors employable under the school laws.

Defendant Relieved of Liability

Where plaintiff in error was served with a summons for liability for injury to a third person and failed to promptly notify defendant insurer of pending suit, held that under the provisions of the policy defendant was relieved from further liability. Heller vs. Standard Accident, Ct. of Appeals, Ohio.

SCOPE OF LONGSHOREMEN'S COMPENSATION ACT GIVEN (CONTINUED FROM PAGE 39)

cluded in the classification of operations disclosed in the declarations forming part of this policy and are conducted in the territorial waters of any state to which this policy is made applicable by state compensation endorsement, this endorsement shall apply as supplementary to such state compensation endorsement but is hereby expressly limited to such disabilities or deaths of employees as are provided for in said longshoremen's and harbor workers' compensation act but which may not be validly provided for by the workmen's compensation law of the state in which the operations are conducted.

"All terms, conditions, requirements and obligations expressed in this policy or in any other endorsement attached thereto which are not inconsistent with or inapplicable to the provisions of this endorsement are hereby made a part of this endorsement as fully and completely as if wholly written herein."

Rates for All States Listed

Because of the slight probability that federal coverage will be required in Arizona, Colorado, Idaho, Iowa, Kansas, Montana, Nebraska, New Mexico, Oklahoma, South Dakota, Utah and Vermont, it is not designed to print rates for those states. The attached table contains the rates for all states.

Employers Group Awards

The conference in Boston attended by some 50 general agents of the Employers Liability group came to a close with the awarding of the shields for the largest premium increases to the winning agencies in each of the three companies. George F. Douaire of Chicago took the prize in the Employers Liability contest; J. M. Hogle of Chicago, won the American Employers shield, and Stone, Stafford & Stone, of Indianapolis, won the Employers Fire shield. The trophies were for the largest premium income for the final six months of 1926.

Bars Electric Interruption Cover

NEW YORK, June 15.—Superintendent Beha has advised such of the casualty companies as are writing electric current interruption insurance that the New York law does not permit this form of coverage.

Freezing Compensable Injury

Disability due to freezing in the course of one's employment has been held compensable by the industrial accident board of Idaho. Two employees of the Utah Construction Company while at work in Idaho Falls, Ida., had their hands frozen and made claim for compensation. The appeal was rejected by the state insurance fund, but on reference to the industrial accident board an award for temporary total disability was ordered.

Ohio Casualty Meeting Postponed

COLUMBUS, O., June 15.—The meeting of the Ohio Casualty Companies Association, which originally was planned for July, probably will be held later in the year, Samuel L. Cotter of Columbus, the secretary, announced today. It will be two weeks before the date is fixed by the executive committee, he said, indicating the absence of a large number on vacation in July was the reason for postponement.

Store Held Not Negligent

The Ohio supreme court last week, reversing the courts of Cuyahoga county, set aside a judgment for \$10,000 for personal injuries obtained by Mrs. Constance E. Fader of Cleveland against the S. S. Kresge Company. Mrs. Fader entered the store during a rainstorm, slipped on the wet floor and was injured. She claimed that the management should have placed a rough mat on the floor and should have warned the public. The supreme court stated that proprietors have a duty to exercise ordinary care, but observed that when customers during a rainstorm carry water into the store from dripping umbrellas and drenched clothing, the storekeeper should not be held responsible.

LAST YEAR'S OPERATIONS SHOW UNTOWARD TREND

AUTOMOBILE LIABILITY LOSS

Experience on the Class for 1926 Displays Unfavorable Underwriting Experience

The National Bureau of Casualty and Surety Underwriters has issued a statement showing the automobile public liability experience. This has been regarded as one of the most profitable casualty lines. The experience of 1926, however, shows an underwriting loss of 1.2 percent. The earned premiums for the year were \$108,834,488, this being exceeded by the combined incurred losses and expenses by \$1,329,073. The New York "Journal of Commerce," in commenting on this, says:

"This compares with \$97,288,462 earned premiums and an underwriting profit of \$4,901,291, or 5 percent, in 1925. The premium volume has been steadily increasing, the earned premiums in 1924 being \$87,033,991 and in 1923, \$70,079,499. Both those years also showed an underwriting profit, 1924's record being \$6,107,997, or 7 percent, and 1923 showed a profit of \$5,306,659, or 7.6 percent.

Present Trend Serious

"Automobile liability business has been looked upon as one of staple factors for profit in the casualty group, and the present trend is therefore more serious. Company managers and underwriters are not entirely in accord as to the causes that have turned this profitable class into the 'red ink' division, but generally concede the intensive congestion in all the larger cities and the steady tendency of the courts toward higher judgments, are the main factors.

National Bureau Statistics

"The National Bureau's statistics reveal that only a relatively small proportion of the automobiles registered are covered for public liability, the 1926 ratio being about one in six, but that is an improvement compared with the previous year, when the ratio was one in seven. This ratio, however, does not obtain in the large centers where the rates of cars covered for public liability is about one in three.

Unfavorable Showing

"The unfavorable showing developed in the automobile public liability is not due to increases in acquisition cost, as that factor has been steadily reduced from 1923, when it was 27.4 percent, to the low level of 25.6 percent in 1926. On the other hand, the loss ratio has steadily risen from 45.6 percent in 1923 to 53.8 percent in 1926.

"The relative small percentage of registered automobiles insured for public liability will probably be materially increased from now on as it becomes affected by the records of states which go under compulsory automobile insurance."

O. R. Beckwith Honored

Oliver R. Beckwith, president of the London & Lancashire Indemnity, has become the senior warden of St. John's Church in West Hartford, which is more than an ordinary honor because of the length of service of his predecessors and the historical import of the parish served.

Supreme Court to Hear Appeal

Appealing from a recent decision of the Ohio supreme court in refusing to review a decision of the Ohio industrial board in the case of a Cleveland contractor who was assessed a penalty of 50 percent in the award of the commission in favor of the heirs of a workman, the Ohio Chapter of the American Contractors Association obtained a writ of error to the United States Supreme Court under the 14th amendment.

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NEW YORK, SATURDAY, FEBRUARY 3, 1872.

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This picture, despite the horror depicted, has a touch of humor in it for the man of today. It presents an interesting and unusual contrast to the modern hazards of life. It is difficult to appreciate in this day of automobile and airplane accidents that neither mode of transportation existed when this advertisement made its appearance.

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teresting to note that The Travelers still holds its position in the center of the stage. Many lines have been added, each contributing its share toward the building of the largest multiple-line insurance organization of today.

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